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**Sixth Supplemental Indenture**

between

ALASKA STUDENT LOAN CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

Dated as of June 1, 2007

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## **SIXTH SUPPLEMENTAL INDENTURE**

THIS SIXTH SUPPLEMENTAL INDENTURE, made and entered into as of June 1, 2007, by and between the ALASKA STUDENT LOAN CORPORATION, a public corporation and government instrumentality created and existing under the laws of the State of Alaska (herein called the "Corporation"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as Trustee (herein called the "Trustee").

### **WITNESSETH:**

WHEREAS, the Corporation and Zions First National Bank, as predecessor trustee, entered into a Master Indenture dated as of June 1, 2002 (the "Master Indenture" and, together with this Sixth Supplemental Indenture, the "Indenture") to secure issues of the Corporation's Education Loan Revenue Bonds; and

WHEREAS, under the terms of the Master Indenture, the Corporation and the Trustee may enter into a supplemental indenture from time to time to authorize the issuance of a Series of the Corporation's Education Loan Revenue Bonds; and

WHEREAS, it is the purpose of this Sixth Supplemental Indenture to authorize the issuance of the Corporation's Education Loan Revenue Bonds in three series, consisting of \$41,500,000 principal amount of Senior Series 2007A-1 Bonds (the "2007A-1 Bonds"), \$18,500,000 principal amount of Senior Series 2007A-2 Bonds (the "2007A-2 Bonds"), and \$49,000,000 principal amount of Senior Series 2007A-3 (the "2007A-3 Bonds," and together with the 2007A-1 Bonds and the 2007A-2 Bonds, the "2007 Bonds"); and

WHEREAS, the Corporation is authorized to issue the 2007 Bonds for the purpose, among other things, of acquiring or funding Education Loans, as defined in the Master Indenture and for the purpose of refunding bonds previously issued under a prior indenture; and

WHEREAS, the proceeds of the 2007A-1 Bonds will be used to (i) finance the purchase of eligible education loans; (ii) make a Capital Reserve Fund deposit; and (iii) pay costs of issuance allocable to the 2007A-1 Bonds; and

WHEREAS, the proceeds of the 2007A-2 Bonds will be used to (i) refund a portion of certain of the Corporation's Student Loan Revenue Bonds maturing on July 1, 2007 (as described more specifically later in this Sixth Supplemental Indenture) on their maturity date, in the aggregate principal amount of \$13,860,000, (ii) finance the purchase of eligible education loans, (iii) pay costs of issuance allocable to the 2007A-2 Bonds, and (iv) make a Capital Reserve Fund deposit; and

WHEREAS, the proceeds of the 2007A-3 Bonds will be used to (i) refund a portion of certain of the Corporation's Student Loan Revenue Bonds 1997 Series A maturing on and after July 1, 2008 (as described more specifically herein), in the aggregate principal amount of \$49,000,000, (ii) finance the purchase of eligible education loans, and (iii) pay costs of issuance allocable to the 2007A-3 Bonds; and

WHEREAS, all conditions, things, and acts required by the Constitution and statutes of the State of Alaska to exist, happen, and be performed precedent to and in connection with the issuance of the 2007 Bonds exist, have happened, and have been performed in due time, form, and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to issue the 2007 Bonds for the purpose, in the manner, and upon the terms herein and in the Master Indenture provided; and

WHEREAS, in order to provide for the authentication and delivery of the 2007 Bonds, to establish and declare the terms and conditions upon which the 2007 Bonds are to be issued and secured, and to secure the payment of the principal thereof and of the interest thereon, the Corporation has authorized the execution and delivery of this Sixth Supplemental Indenture; and

WHEREAS, the 2007 Bonds and the Trustee's certificate of authentication are to be in substantially the forms presented in Exhibit B, Exhibit C and Exhibit D hereto with such insertions or variations as to any redemption or amortization provisions and interest rate provisions, and with such other necessary or appropriate variations, omissions, and insertions, as the Corporation's Chair or Executive Officer may approve and as may be permitted or required by the Master Indenture or this Sixth Supplemental Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the 2007 Bonds, when executed and duly issued by the Corporation and authenticated and delivered by the Trustee, the valid, binding, and legal obligations of the Corporation and to constitute the Master Indenture and this Sixth Supplemental Indenture a valid and binding agreements for the uses and purposes therein and herein set forth, in accordance with their terms, have been done and taken; and the execution and delivery of the Master Indenture and this Sixth Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS SIXTH SUPPLEMENTAL INDENTURE WITNESSETH, that in order to secure the payment of the principal of, and the interest on, all 2007 Bonds at any time issued and outstanding under this Sixth Supplemental Indenture, according to their tenor, and to secure the performance and observance of all the covenants therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2007 Bonds are to be issued and received, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2007 Bonds by the holders thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Corporation covenants and agrees with the Trustee, for the benefit of the respective holders from time to time of the 2007 Bonds, as follows:

## ARTICLE I DEFINITIONS

Section 101 - Definitions. In this Sixth Supplemental Indenture, unless the context otherwise requires, the following words and terms shall have the meanings set forth in this Section:

"Acquisition Period Termination Date" shall mean May 1, 2010, or such earlier date that the Corporation identifies in a writing to the Trustee as the date after which it no longer reasonably expects to acquire or originate Education Loans from amounts deposited in the 2007 Series Account pursuant to Section 402; provided, however, that the Corporation may establish a date later than May 1, 2010, as the Acquisition Period Termination Date if it files with the Trustee a Rating Confirmation reflecting such later date.

"Alternative Loans" shall mean any Education Loan which is not a Guaranteed Loan.

"Auction Agent" shall have the meaning provided in Exhibit A hereto.

"Auction Agreement" shall have the meaning provided in Exhibit A hereto.

"Auction Rate" shall mean a rate of interest determined in accordance with Exhibit A.

"Auction Rate Securities" shall mean a 2007 Bond that bears interest at an Auction Rate.

"Authorized Denomination" shall mean (i) \$25,000 or any integral multiples thereof for Auction Rate Securities, (ii) \$100,000 and \$5,000 increments in excess

thereof, or integral multiples thereof, for Non-Auction Rate Securities and (iii) \$5,000 or integral multiples thereof for the 2007A-2 Bonds and 2007A-3 Bonds.

"Beneficial Owner" shall mean either the person in whose name a 2007 Bond is recorded as the beneficial owner of such 2007 Bond by the respective systems of DTC Participants or, if the 2007 Bond is not then registered in the name of Cede & Co. and held in the Book Entry System, the Bondholder of the 2007 Bond.

"Book Entry System" shall mean the system in which the 2007 Bonds (represented by one 2007 Bond certificate for each maturity of each Series of the 2007 Bonds) are delivered into the possession of DTC and are issued and fully registered as to principal and interest in the name of Cede & Co., and whereby beneficial interests in the 2007 Bonds are purchased by investors through DTC Participants, such interests shown and transfers thereof effected only through the records maintained by the respective DTC Participants from whom each such investor acquired such beneficial interest.

"Broker-Dealer" shall have the meaning provided in Exhibit A hereto.

"Broker-Dealer Agreement" shall have the meaning provided in Exhibit A hereto.

"Capital Reserve Requirement" shall mean Eligible Capital Reserve Assets in a principal amount at least equal to 2% of the principal amount of Bonds Outstanding but in no event less than \$500,000.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the 2007 Bonds.

"Closing Date" shall mean June 7, 2007.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Conversion Date" shall have the meaning provided in Exhibit A hereto.

"Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate dated as of June 7, 2007, as originally executed and as it may be amended from time to time in accordance with its terms.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participants" shall mean trust companies, banks, brokers, dealers, clearing corporations, and certain other organizations that are participants of DTC.

"Eligible Capital Reserve Assets" shall mean (i) cash, (ii) Investment Securities, (iii) a non-cancelable surety bond issued by an insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such surety bond, is rated in the highest rating category by any Rating Agency and if the Corporation files with the Trustee a Rating Confirmation reflecting such surety bond, and (iv) an irrevocable letter of credit issued by a financial institution which maintains an office, agency or branch in the United States and, as of the time of issuance of such letter of credit, is rated in one of the two highest long-term rating categories by one or more of the Rating Agencies, but only if the Corporation files with the Trustee a Rating Confirmation reflecting such letter of credit.

"Excess Interest" shall mean, as of the date of computation, the smallest amount that would reduce the yield on the 2007 Education Loans to a yield that is not higher than the yield on the 2007 Bonds plus the Permitted Spread. For purposes of this definition only, yield on the 2007 Bonds and yield on the 2007 Education Loans shall be calculated in accordance with §§1.148-4 and 1.148-5, respectively, of the Regulations or other applicable Code or Regulation sections.

"Excess Interest Calculation Date" shall mean a date no later than the tenth anniversary date of the delivery of the 2007 Bonds and every five years thereafter, or such other date as may be permitted under the applicable Regulations, and the day upon which the last 2007 Bond is retired.

"Fifth Supplemental Indenture" shall mean the Fifth Supplemental Indenture dated as of May 1, 2006, and authorized pursuant to the Master Indenture.

"First Supplemental Indenture" shall mean the First Supplemental Indenture dated as of June 1, 2002, and authorized pursuant to the Master Indenture.

"First Unallocated Account" shall mean the First Unallocated Account created in the First Supplemental Indenture.

"Fitch" shall mean Fitch Ratings or any successor thereto.

"Fourth Supplemental Indenture" shall mean the Fourth Supplemental Indenture dated as of July 1, 2005, and authorized pursuant to the Master Indenture.

"Interest Payment Date" shall mean each June 1 and December 1, commencing December 1, 2007, or a Conversion Date for the 2007A-1 Bonds.

"Investment Securities" for all purposes other than (i) investments in escrow accounts and (ii) investing, and receiving credit for, accrued and capitalized interest shall mean:

- (a) (i) direct general obligations of, or obligations fully and unconditionally guaranteed as to the timely payment of principal and interest by, the United States or any agency or instrumentality thereof, provided such obligations are backed by the full faith and credit of the United States; or (ii) FHA debentures, Freddie Mac senior debt obligations, Federal Home Loan Bank consolidated senior debt obligations, Federal Farm Credit Bank consolidated senior debt obligations, and Fannie Mae senior debt obligations, but excluding any of such securities whose terms do not provide for payment of a fixed dollar amount upon maturity or call for redemption;
- (b) obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America:
  - United States Export-Import Bank (Eximbank)
  - Farm Credit System Financial Assistance Corporation
  - Rural Economic Community Development Administration (formerly known as Farmers Home Administration)
  - General Services Administration
  - U.S. Maritime Administration
  - Small Business Administration
  - Government National Mortgage Association (GNMA)
  - U.S. Department of Housing & Urban Development (PHA's)
  - Federal Housing Administration
  - Federal Financing Bank;
- (c) U.S. Dollar denominated deposit accounts, federal funds, and bankers' acceptances with domestic commercial banks (including any affiliate of the Trustee) which have a rating on their short term certificates of deposit on the date of purchase of "A-1+" by Standard & Poor's and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (for purposes of this definition, the rating of a holding company shall not be considered the rating of any bank held by such holding company);
- (d) commercial paper which is rated at the time of purchase "A-1+" by Standard & Poor's and "P-1" by Moody's;

- (e) investments in a money market fund rated "AAAm" or "AAAm-G" or better by Standard & Poor's and "Aaa" by Moody's, including money market funds from which the Trustee or its affiliate derives a fee for investment advisory or other services to the fund;
- (f) guaranteed investment contracts or investment agreements (including repurchase agreements), secured by collateral or unsecured as the Corporation may determine, which may be entered into by and among the Corporation, the Trustee and any bank, bank holding company, corporation or any other financial institution whose outstanding (a) commercial paper is rated "P-1" by Moody's and "A-1+" by Standard & Poor's for agreements or contracts with a maturity of 12 months or less, (b) unsecured long-term debt is rated "Aa3" or higher by Moody's and "AA-" or higher by Standard & Poor's and, if commercial paper is outstanding, commercial paper which is rated "P-1" by Moody's and "A-1+" by Standard & Poor's for agreements or contracts with a maturity of 24 months or less, but more than 12 months, or (c) unsecured long-term debt which is rated "Aa3" or higher by Moody's and "AA-" or higher by Standard & Poor's and, if commercial paper is outstanding, commercial paper which is rated "P-1" by Moody's and "A-1+" by Standard & Poor's for agreements or contracts with a maturity of more than 24 months, or, in each case, by an insurance company whose claims paying ability is so rated;
- (g) general obligations of any state or municipality with a rating of "Aaa" by Moody's and "AAA" by Standard & Poor's; and
- (h) any other investment, investment agreement or guaranteed investment contract approved in writing by the Rating Agencies.

"Letter of Representations" shall mean the Blanket Letter of Representations dated July 26, 1995, from the Corporation to DTC, which shall be the binding obligation of the Corporation.

"Long-Term Rate" shall have the meaning provided in Exhibit E hereto.

"Master Indenture" shall mean the Indenture between the Corporation and Zions First National Bank, as predecessor trustee, dated as of June 1, 2002, and securing the Corporation's Education Loan Revenue Bonds.

"Moody's" shall mean Moody's Investors Service Inc., or any successor thereto.

"Non-Auction Rate" shall mean a rate of interest determined in accordance with Exhibit E.

"Non-Auction Rate Securities" shall mean a 2007 Bond that bears interest at a Non-Auction Rate.

"Payment Date" shall mean any Interest Payment Date and any other date on which a payment of principal of or interest on the 2007 Bonds is due hereunder or under the Master Indenture.

"Prior Indenture" shall mean that indenture entered into between the Alaska Student Loan Corporation and U.S. Bank National Association, successor to Seattle-First National Bank, dated as of May 1, 1988, and all supplemental and amending indentures thereto.

"Prior Trustee" shall mean the trustee under the Prior Indenture.

"Purchaser" shall mean Citigroup Global Markets Inc., as the purchaser of the 2007 Bonds under the Bond Purchase Agreement dated June 6, 2007, relating to the sale of the 2007A-1 Bonds, and under the Bond Purchase Agreement dated May 16, 2007, relating to the sale of the 2007A-2 Bonds and 2007A-3 Bonds.

"Record Date," with respect to any 2007 Bond bearing interest at an Auction Rate, shall have the meaning set forth in Exhibit A and, with respect to any 2007 Bond bearing interest at a Non-Auction Rate, shall have the meaning set forth in Exhibit E.

"Recycling Termination Date" shall mean July 1, 2012 for Alternative Loans and July 1, 2012 for Guaranteed Loans for all purposes of the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture and this Sixth Supplemental Indenture; provided, however, the Corporation may establish later Recycling Termination Dates under the terms of each supplemental indenture for either, or both, the Alternative Loans or the Guaranteed Loans of each series if it files with the Trustee a Rating Confirmation reflecting such later date.

"Regulations" shall mean the regulations adopted under the Code.

"Second Supplemental Indenture" shall mean the Second Supplemental Indenture dated as of June 1, 2003, and authorized pursuant to the Master Indenture.

"Series 2007A-2 Refunded Bonds" shall mean the Corporation's: (i) 1997 Series A Bonds maturing July 1, 2007, in the principal amount of \$6,000,000; (ii) 1998 Series A Bonds maturing July 1, 2007 in the principal amount of \$3,000,000; (iii) 1999 Series

A Bonds maturing July 1, 2007 in the principal amount of \$2,250,000; and (iv) 2000 Series A Bonds maturing July 1, 2007 in the principal amount of \$2,610,000.

"Series 2007A-3 Refunded Bonds" shall mean the Corporation's Student Loan Revenue Bonds, 1997 Series A, maturing on and after July 1, 2008, in the aggregate principal amount of \$49,000,000.

"Sixth Supplemental Indenture" shall mean the Sixth Supplemental Indenture dated as of June 1, 2007, and authorized pursuant to the Master Indenture.

"Standard & Poor's" shall mean Standard & Poor's Ratings Group or any successor thereto.

"Supplemental Indenture" shall mean this Sixth Supplemental Indenture.

"Third Supplemental Indenture" shall mean the Third Supplemental Indenture dated as of April 1, 2004, and authorized pursuant to the Master Indenture.

"Trustee" shall mean U.S. Bank National Association, as successor trustee.

"2007 Bonds" shall mean collectively the 2007A-1 Bonds, the 2007A-2 Bonds, and the 2007A-3 Bonds.

"2007A-1 Bonds" shall mean the Corporation's \$41,500,000 Education Loan Revenue Bonds, Senior Series 2007A-1.

"2007A-2 Bonds" shall mean the Corporation's \$18,500,000 Education Loan Revenue Bonds, Senior Series 2007A-2.

"2007A-3 Bonds" shall mean the Corporation's \$49,000,000 Education Loan Revenue Bonds, Senior Series 2007A-3.

"2007 Education Loans" shall mean Education Loans financed with original proceeds of the 2007 Bonds or otherwise allocable to the 2007 Bonds for purposes of calculating Excess Interest pursuant to the Code and Regulations.

"2007A-1 Series Account" shall mean the 2007A-1 Series Account created in Section 201(A) hereof.

"2007A-2 Series Account" shall mean the 2007A-2 Series Account created in Section 201(B) hereof.

"2007A-3 Series Account" shall mean the 2007A-3 Series Account created in Section 201(C) hereof.

Unless otherwise expressly provided herein, capitalized terms used herein shall have the meanings assigned to them in the Master Indenture.

Section 102 - Conflict with Master Indenture. In the event of a conflict between the provisions of this Sixth Supplemental Indenture and the Master Indenture or any other supplemental indenture, the provisions of this Sixth Supplemental Indenture shall govern for so long as any of the 2007 Bonds remain Outstanding (except as may be otherwise provided herein).

## ARTICLE II AUTHORIZATION, TERMS AND ISSUANCE

Section 201 - Authorization, Principal Amount, Designation, and Series; Creation of Funds and Accounts. (A) Pursuant to the provisions of the Master Indenture, a Series of Bonds entitled to the benefit, protection and security of the Master Indenture is hereby authorized in the aggregate principal amount of \$41,500,000 and shall be designated as and shall be distinguished from the Bonds of all other Series by the title, "Education Loan Revenue Bonds, Senior Series 2007A-1." The 2007A-1 Bonds shall be Class I Bonds for purposes of the Master Indenture. As provided in Section 4.01 of Exhibit E, such Class may change upon conversion to Non-Auction Rate Securities; provided, however, the Corporation may not convert the 2007A-1 Bonds to Non-Auction Rate Securities unless the Corporation has filed with the Trustee a Rating Confirmation reflecting such conversion. The Corporation is of the opinion and hereby determines that the issuance of the 2007A-1 Bonds in said amount is necessary to provide sufficient funds to be used and expended for the Corporation's program of acquiring Education Loans under the Act. The 2007A-1 Bonds may be issued only in fully registered form.

(B) Pursuant to the provisions of the Master Indenture, a Series of Bonds entitled to the benefit, protection and security of the Master Indenture is hereby authorized in the aggregate principal amount of \$18,500,000 and shall be designated as and shall be distinguished from the Bonds of all other Series by the title, "Education Loan Revenue Bonds, Senior Series 2007A-2." The 2007A-2 Bonds shall be Class I Bonds for purposes of the Master Indenture. The Corporation is of the opinion and hereby determines that the issuance of the 2007A-2 Bonds in said amounts is necessary to provide sufficient funds to be used and expended for the Corporation's program of acquiring Education Loans under the Act and to refund the Series 2007A-2 Refunded Bonds. The 2007A-2 Bonds may be issued only in fully registered form.

(C) Pursuant to the provisions of the Master Indenture, a Series of Bonds entitled to the benefit, protection and security of the Master Indenture is hereby authorized in the aggregate principal amount of \$49,000,000 and shall be designated as and shall be distinguished from the Bonds of all other Series by the title, "Education Loan Revenue Bonds, Senior Series 2007A-3." The 2007A-3 Bonds shall be Class I Bonds for purposes of the Master Indenture. The Corporation is of the opinion and hereby determines that the issuance of the 2007A-3 Bonds in said amounts is necessary to provide sufficient funds to be used and expended for the purposes of refunding the Series 2007A-3 Refunded Bonds. The 2007A-3 Bonds may be issued only in fully registered form.

(D) There is hereby created in connection with the issuance of the 2007A-1 Bonds the 2007A-1 Series Account; there is hereby created in connection with the issuance of the 2007A-2 Bonds the 2007A-2 Series Account, and there is hereby created in connection with the issuance of the 2007A-3 Bonds the 2007A-3 Series Account. The 2007A-1 Series Account, the 2007A-2 Series Account and the 2007A-3 Series Account are Series Accounts held within the Education Loan Fund as provided in Section 501 of the Master Indenture.

(E) At any time the Corporation may direct the Trustee to create an Unallocated Account or a subaccount within the First Unallocated Account and, at the direction of the Corporation, shall transfer amounts held hereunder to such Unallocated Account or subaccount in accordance with the terms of the Master Indenture for the purpose of funding a program for making education grants. As of the date of this Sixth Supplemental Indenture the Corporation has not created such a program but may elect to do so in the future as the Act permits.

Section 202 - Purpose. (A) The 2007A-1 Bonds are being issued for the purpose of providing acquisition monies for the purchase of eligible Education Loans.

(B) The 2007A-2 Bonds are being issued for (i) the purpose of providing acquisition monies for the purchase of eligible Education Loans, and (ii) the purpose of refunding the Series 2007A-2 Refunded Bonds.

(C) The 2007A-3 Bonds are being issued for (i) the purpose of providing acquisition monies for the purchase of eligible Education Loans, and (ii) the purpose of refunding the Series 2007A-3 Refunded Bonds.

Section 203 - Date, Maturities and Interest Rates; Other Terms. (A) The 2007A-1 Bonds shall mature on June 1, 2042 (subject to redemption prior to maturity as described in Article VI hereof) and shall be payable as described in Exhibit A. If the 2007A-1 Bonds are converted to Non-Auction Rate Securities, the 2007A-1 Bonds shall bear interest, be payable, and be subject to other terms as described in Exhibit E. The

Corporation may not convert the 2007A-1 Bonds to Non-Auction Rate Securities unless the Corporation has filed with the Trustee a Rating Confirmation reflecting such conversion.

(B) The 2007A-1 Bonds shall be dated the date of initial authentication and delivery thereof and shall (unless and until converted to a Non-Auction Rate) bear interest at the Auction Rate described in Exhibit A hereto. The Bonds shall bear interest from the date thereof (or from the most recent Interest Payment Date to which interest has been paid) payable on each Interest Payment Date until final payment of the principal or redemption price thereof shall have been made in accordance with the provisions hereof, whether at maturity, upon redemption or otherwise.

(C) The 2007A-2 Bonds shall be dated the date of initial authentication and delivery thereof and shall bear interest with respect to each such maturity date at the rate per annum set forth below opposite such maturity payable on each Interest Payment Date:

<u>Due</u> <u>June 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Due</u> <u>June 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2010	\$500,000	5.00%	2015	\$2,500,000	5.00%
2011	1,000,000	5.00	2016	2,500,000	5.00
2012	1,500,000	5.00	2017	3,000,000	5.00
2013	2,000,000	5.00	2018	3,000,000	5.00
2014	2,000,000	5.00	2019	500,000	5.00

(D) The 2007A-3 Bonds shall be dated the date of initial authentication and delivery thereof and shall bear interest with respect to each such maturity date at the rate per annum set forth below opposite such maturity payable on each Interest Payment Date:

<u>Due</u> <u>June 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Due</u> <u>June 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2008	\$6,000,000	5.00%	2012	\$7,000,000	5.00%
2009	6,000,000	5.00	2013	8,000,000	5.00
2010	7,000,000	5.00	2014	8,000,000	5.00
2011	7,000,000	5.00			

(E) Interest on the 2007 Bonds is intended to be excludable from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

Section 204 - Denominations, Numbers, and Letters. (A) The 2007A-1 Bonds shall be issued in the form of fully registered bonds without coupons, in substantially the form set forth in Exhibit B. Upon conversion to Non-Auction Rate Securities, the

2007A-1 Bonds shall be in the form set forth in Exhibit C. Prior to conversion of the 2007A-1 Bonds, such 2007A-1 Bonds shall be issued as fully-registered bonds in Authorized Denominations. From and after conversion, the related converted Series 2007A-1 Bonds shall be issuable as fully-registered bonds in Authorized Denominations and shall be numbered separately from 1 upward preceded by the letter R prefixed to the number.

(B) The 2007A-2 Bonds and the 2007A-3 Bonds shall be issued in the form of fully registered bonds without coupons, in substantially the form set forth in Exhibit D. The 2007A-2 Bonds and the 2007A-3 Bonds shall be issued in Authorized Denominations and shall be numbered separately from 1 upward preceded by the letter R prefixed to the number.

Section 205 - Paying Agents; Method of Payment. (A) The Trustee is hereby appointed the Paying Agent for the 2007 Bonds pursuant to Section 1102 of the Master Indenture.

(B) While the 2007 Bonds are held in the Book Entry System, payment of principal thereof and interest thereon shall be made by wire transfer of same day funds or in such other manner as permitted by the Letter of Representations to the account of Cede & Co. on the Payment Date at the address indicated for Cede & Co. in the bond register kept by the Trustee.

(C) While the 2007 Bonds are not held in the Book Entry System, principal of and interest on the 2007 Bonds shall be paid by mailing a check on the Payment Date on which such principal or interest is due, payable to or upon the written order of the Bondholders, as of each Record Date, of the 2007 Bonds at their addresses as they appear on the bond register; provided, however, that (i) any such Bondholder may request such payment in person at the principal corporate trust office of the Trustee on any Payment Date if such Bondholder notifies the Trustee in writing not later than 30 days before such Interest Payment Date of such Bondholder's election so to receive such payment of interest; and (ii) a registered owner of \$1,000,000 or more in principal amount of the 2007 Bonds shall be paid interest by wire transfer to an account in the United States if such Bondholder makes a written request to the Trustee at least 30 days before the Interest Payment Date on which such wire transfer payments are to begin specifying the account address.

(D) All payments under (B) or (C) of this Section shall be accompanied by CUSIP number identification (with appropriate dollar amount of payment pertaining to each CUSIP number in case there is more than one CUSIP number in connection with a payment) for the 2007 Bonds to which the payment pertains. Payment of principal of the 2007 Bonds under (B) or (C) of this Section shall be made when due upon presentation and surrender of the 2007 Bonds to which such payment pertains at the

principal corporate trust office of the Trustee in St. Paul, Minnesota, or at such other location as directed by the Trustee.

(E) For purposes of paragraphs Fourth and Sixth of Section 503(C) of the Master Indenture, in determining the amounts to be paid into the Principal Account pursuant to said paragraphs, the Trustee shall pay such amounts into such Account at the time or times directed in writing by the Corporation but in no event less than one Business Day before such amounts are required for the payment of principal of the Bonds.

Section 206 - Book Entry 2007 Bonds. (A) So long as the 2007 Bonds are held in the Book Entry System the holder of all of the 2007 Bonds shall be DTC, and the 2007 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Letter of Representations is incorporated herein by reference.

(B) The 2007 Bonds shall be initially issued in the form of a single fully registered certificate in the amount of each separate stated maturity of the 2007 Bonds. Upon initial issuance, the ownership of such 2007 Bonds shall be registered in the registry books of the Corporation kept by the Trustee in the name of Cede & Co., as nominee of DTC. The Trustee and the Corporation may treat DTC (or its nominee) as the sole and exclusive holder of the 2007 Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the 2007 Bonds, selecting the 2007 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Master Indenture, registering the transfer of 2007 Bonds, and obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Trustee nor the Corporation shall be affected by any notice to the contrary. Neither the Trustee nor the Corporation shall have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2007 Bonds under or through DTC or any DTC Participant, or any other person not shown on the registration books kept by the Trustee as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any DTC Participant of any amount in respect of the principal or Redemption Price of or interest on the 2007 Bonds; any notice permitted or required to be given to Bondholders under the Master Indenture; the selection by DTC or any DTC Participant of any person to receive payment in the event of a partial redemption of the 2007 Bonds; or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay from moneys available hereunder all principal of and premium, if any, and interest on the 2007 Bonds only to or "upon the order of" DTC (as that term is used in the Uniform Commercial Code as adopted in the State), and all such payments shall be valid and effective to fully satisfy and discharge the Corporation's obligations with respect to the principal of and premium, if any, and interest on the 2007 Bonds to the extent of the sum or sums so paid. So long as the 2007 Bonds are held in the Book Entry System, no person other

than DTC shall receive an authenticated 2007 Bond certificate. Upon delivery by DTC to the Trustee of DTC's written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of the Master Indenture and this Sixth Supplemental Indenture with respect to transfers of 2007 Bonds, the term "Cede & Co." in this Sixth Supplemental Indenture shall refer to such new nominee of DTC.

Section 207 - Delivery of 2007 Bond Certificates. At any time, the Corporation may notify DTC and the Trustee, whereupon DTC will notify the DTC Participants, of the availability through DTC of 2007 Bond certificates. In such event, the Trustee shall issue, transfer, and exchange, at the Corporation's expense, fully registered 2007 Bond certificates as requested in writing by DTC in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2007 Bonds at any time by giving written notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if no successor securities depository is appointed by the Corporation), the Corporation and the Trustee shall be obligated to deliver 2007 Bond certificates as described in the Master Indenture and this Sixth Supplemental Indenture, provided that the expenses in connection therewith shall be paid by the Corporation. In the event 2007 Bond certificates are issued, the provisions of the Master Indenture and this Sixth Supplemental Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and premium, if any, and interest on such certificates. Whenever DTC requests the Corporation to do so, the Corporation will cooperate with DTC in taking appropriate action after written notice (a) to make available one or more separate certificates evidencing the 2007 Bonds to any DTC Participant having 2007 Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the 2007 Bonds.

### ARTICLE III EXECUTION AND DELIVERY

Section 301 - Execution. The 2007 Bonds shall be executed by the manual or facsimile signature of the Chair, the Vice-Chair, the Executive Officer, or the Finance Officer of the Corporation, with such signature attested by the manual or facsimile signature of an Authorized Officer, and the seal of the Corporation (or a facsimile thereof) shall be affixed, engraved, imprinted, or otherwise reproduced thereon.

Section 302 - Delivery. After their execution as hereinabove provided, the 2007 Bonds to be delivered to the Purchaser shall be authenticated by the Trustee and, upon satisfaction of the conditions contained in the Master Indenture, shall be delivered to the Purchaser.

## ARTICLE IV DISPOSITION OF PROCEEDS

Section 401 - Capital Reserve Fund. (A) On the Closing Date, the Corporation shall cause the Trustee to deposit \$2,180,000.00 from the proceeds of sale of the 2007 Bonds in the Capital Reserve Fund.

(B) The Corporation may, at any time, satisfy the Capital Reserve Requirement by depositing into the Capital Reserve Fund, either in addition to other assets then in the Capital Reserve Fund or in replacement thereof, Eligible Capital Reserve Assets.

Section 402 - Series Accounts. (A) The proceeds of the sale of the 2007 Bonds, including amounts received as premium, if any, shall be delivered to the Trustee. Upon written direction from the Corporation the Trustee shall apply said proceeds as follows: (i) \$40,670,000.00 to be deposited into the 2007A-1 Series Account to be used as directed by the Corporation pursuant to Section 202(A) herein; (ii) \$19,217,325.00 to be deposited into the 2007A-2 Series Account to be used as directed by the Corporation pursuant to Section 202(B) herein; (iii) \$49,884,900.00 to be deposited into the 2007A-3 Series Account; and (iv) \$2,180,000.00 to be deposited into the Capital Reserve Fund.

(B) The Corporation shall provide written instructions, and such other documents as may be required by the Trustee and the Prior Indenture, to the Prior Trustee and shall take such other steps as may be necessary to cause the Prior Trustee to (i) use amounts transferred to it pursuant to this Section 402 as provided in this Section 402, and (ii) transfer cash to the Trustee as provided in this Section 402. The Trustee shall accept such cash and shall deposit it as provided in this Section 402.

Section 403 - Initial Acquisition Period and Recycling Limitations and Temporary Deposits of 2007 Series Account Money. (A) On and after the Recycling Termination Date, the Trustee shall not make any deposits of remaining Pledged Receipts derived from Education Loans held in the 2007A-1 Series Account, Education Loans held in the 2007A-2 Series Account, Education Loans held in the 2007A-3 Series Account, or Education Loans held in the First Unallocated Account unless the Corporation shall have delivered to the Trustee a Rating Confirmation reflecting such deposits with a new Recycling Termination Date.

(B) The Trustee shall transfer proceeds of the 2007 Bonds remaining in the 2007A-1 Series Account, remaining in the 2007A-2 Series Account, or remaining in the 2007A-3 Series Account on the Acquisition Period Termination Date to the Redemption Account and shall apply such amounts to the redemption of 2007 Bonds pursuant to Section 601 or Section 602 herein.

(C) At the direction of the Corporation, the Trustee shall transfer, to an institution identified by the Corporation, amounts held in the 2007A-1 Series Account, the 2007A-2 Series Account and the 2007A-3 Series Account which will then be used to make Education Loans. All amounts transferred to such institutions pursuant to the preceding sentence shall be (i) invested only in Investment Securities unless the Corporation certifies that Excess Coverage will exist immediately following such transfer, and (ii) used to make Education Loans.

## ARTICLE V TAX MATTERS

Section 501 - Rebate Procedures. (A) For purposes of complying with the arbitrage rebate requirements of Section 148 of the Code and Section 1.148-3 of the Regulations, the Corporation or its designee shall calculate rebatable arbitrage in accordance with this Section and shall assure payment, or shall provide written direction to the Trustee to pay (but, with respect to the Trustee; only from amounts in Funds and Accounts as provided in the Master Indenture or this Sixth Supplemental Indenture or, if such amounts are insufficient or unavailable for such purpose, from amounts delivered for such purpose to the Trustee from the Corporation), such rebatable arbitrage to the United States in accordance with this Section. The Trustee shall not be responsible for calculating rebate amounts, for the adequacy or correctness of any rebate reports, or for enforcing compliance with rebate filing or reprinting requirements.

(B) The Corporation shall calculate and pay, or cause to be calculated and paid, the rebatable arbitrage described in (A) of this Section in the manner, at the times, and otherwise in accordance with the procedures set forth in Section 1.148-3 of the Regulations. The Corporation shall pay the rebatable arbitrage not less often than every fifth anniversary date of the delivery of the 2007 Bonds or such other date as may be permitted under the applicable Regulations until all of the 2007 Bonds have been discharged within the meaning of the Regulations.

(C) The Corporation covenants that it will engage professionally competent advisors recognized in the field of municipal finance and arbitrage rebate computation to assist it in complying with the arbitrage rebate computations required by Section 148 of the Code and by this Section.

Section 502 - Excess Interest Fund. No later than forty-five days after each Excess Interest Calculation Date, the Corporation shall determine, or cause to be determined, for the 2007 Bonds the Excess Interest applicable to the 2007 Bonds. If any such Excess Interest exists, the Corporation shall provide written direction to the Trustee to establish an Excess Interest Fund and to transfer an amount equal to such Excess Interest from the Revenue Fund pursuant to Section 503(C) of the Master

Indenture. Unless the Corporation obtains an opinion of Bond Counsel to the effect that such payments are not required in order to preserve the exclusion from gross income of interest on the 2007 Bonds, the Corporation shall direct the Trustee to withdraw from the Excess Interest Fund, and remit to the United States, Yield Reduction Payments in such manner and amounts and on such dates as may be required or permitted by Section 148 of the Code and Section 1.148-5(c) of the Regulations, or other applicable Code and Regulation provisions.

Section 503 - RESERVED.

Section 504 - Tax Covenants. (A) The Corporation shall not directly or indirectly use, permit or direct the use of any proceeds of the 2007 Bonds or any other funds of the Corporation or take or omit to take any action that would cause the 2007 Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Code and Regulations promulgated thereunder. To that end, the Corporation will comply with all requirements of Section 148 of the Code to the extent applicable to the 2007 Bonds. In the event that for purposes of this Section 504 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under the Master Indenture, the Corporation shall so instruct the Trustee in writing, and the Trustee shall take such action as directed. The Corporation specifically covenants that the Corporation will pay or cause to be paid to the United States at the times and in the amounts determined under this Sixth Supplemental Indenture the rebate amounts described herein. The Corporation further covenants and agrees that it will take all action necessary to assure that interest on the 2007 Bonds shall be excludable from gross income for purposes of federal income taxation.

(B) Terms used in this Section and not otherwise defined herein shall have the meanings assigned to such terms under the Code and Regulations.

ARTICLE VI  
REDEMPTION

Section 601 - Optional Redemption of 2007 Bonds. (A) Subject to Section 601(D), while the 2007A-1 Bonds bear interest at an Auction Rate, such 2007 Bonds are subject to redemption at the option of the Corporation from any source of funds, in whole or in part on any Interest Payment Date or Business Day following an Auction Date, at a redemption price equal to the principal amount of such 2007A-1 Bond being redeemed, plus accrued interest, if any, to the redemption date. Provided, however, that while the 2007A-1 Bonds bear interest at an Auction Rate, any optional redemption privilege under this Section 601(A) shall be subject to the Corporation securing the consent of the Broker-Dealer if the aggregate principal amount outstanding of such 2007A-1 Bonds after such redemption is less than \$10,000,000.

In addition, and subject to the conditions set forth in Exhibit E, if the 2007A-1 Bonds bear interest at a Non-Auction Rate, such 2007A-1 Bonds are subject to redemption at such times, for such prices, and under such circumstances as the Corporation may determine following any Conversion of such 2007A-1 Bonds.

(B) The 2007A-2 Bonds maturing on or prior to December 1, 2016 are not subject to redemption prior to maturity. The 2007A-2 Bonds maturing after December 1, 2016, are subject to redemption at the option of the Corporation on or after December 1, 2016, in whole or in part on any date, in increments of \$5,000, with maturities to be selected by the Corporation, at a price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption.

(C) The 2007A-3 Bonds are not subject to redemption at the option of the Corporation prior to maturity.

(D) At the time any 2007A-1 Bonds are converted to bear interest at a Long-Term Rate, the Corporation shall establish optional redemption provisions for such 2007A-1 Bonds and shall deliver a Certificate to the Trustee setting forth such optional redemption provisions.

(E) The Corporation shall not exercise an optional redemption privilege under this Section for less than all of the 2007A-1 Bonds Outstanding unless either (i) coverage ratios at least equal to the coverage ratios described in the definition of "Excess Coverage" in the Master Indenture will exist immediately following such optional redemption or (ii) the Corporation provides the Trustee a Rating Confirmation.

Section 602 - Special Optional Redemption; Additional Redemption Provisions.

(A) After the Acquisition Period Termination Date and while they bear interest at a Long-Term Rate, the 2007A-1 Bonds are subject to redemption at the option of the Corporation in whole or in part on any date from moneys on deposit in the 2007 Series Accounts at a redemption price equal to the principal amount of such 2007 Bonds being redeemed, plus accrued interest, if any, to the redemption date.

(B) After the Recycling Termination Date and while they bear interest at a Long-Term Rate, the 2007A-1 Bonds are subject to redemption at the option of the Corporation in whole or in part on any date, from moneys held in the funds and accounts established under the Indenture which are not otherwise available or expected to be used to acquire Education Loans, at a price equal to the principal amount of such 2007A-1 Bonds being redeemed, plus accrued interest, if any; provided, however, that the 2007A-1 Bonds shall not be so redeemed from moneys derived from the voluntary sale, assignment or disposition of Education Loans by the Corporation for such purpose.

(C) In addition to the redemption provisions set forth in Sections 601 and in (A) and (B) of this Section, the 2007A-1 Bonds may become subject to redemption at such times and under such circumstances as permitted or required pursuant to Exhibit A or Exhibit E hereto. The Corporation shall give written notice to the Trustee of any such redemption provision created pursuant to said Exhibits after the Closing Date, and, upon delivery of such notice, the 2007 Bonds shall be subject to such redemption provision.

(D) The Corporation shall not exercise an optional redemption privilege under this Section for less than all of the 2007A-1 Bonds Outstanding unless either (i) coverage ratios at least equal to the coverage ratios described in the definition of "Excess Coverage" in the Master Indenture will exist immediately following such optional redemption or (ii) the Corporation provides the Trustee a Rating Confirmation.

Section 603 - Redemption at the Election of the Corporation. (A) In the case of any redemption of 2007 Bonds under Section 601 herein, the Corporation shall at least 45 days prior to the redemption date give written notice to the Trustee of its election so to redeem, of the redemption date, of the principal amounts of the 2007 Bonds of each maturity of each Series to be redeemed (which redemption date, maturities and principal amounts thereof to be redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained in the Master Indenture or this Supplemental Indenture), and of any moneys to be applied to the payment of the Redemption Price.

(B) In the case of any redemption of 2007 Bonds under Section 602 herein, the Corporation shall at least 45 days prior to the redemption date give written notice to the Trustee of its election so to redeem, of the redemption date, of the principal amounts of the 2007 Bonds of each maturity of each Series to be redeemed (which redemption date, maturities and principal amounts thereof to be redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained in the Master Indenture or this Sixth Supplemental Indenture), and of any moneys to be applied to the payment of the Redemption Price.

Section 604 - Notice of Redemption. When the Trustee shall receive written notice from the Corporation of its election or direction to redeem 2007 Bonds pursuant to Section 601 herein, the Trustee shall give notice in the name of the Corporation of the redemption of such 2007 Bonds as provided in Section 605 of the Master Indenture. The following actions shall be taken by the Trustee with respect to such redemption notice:

(1) At least 30 but not more than 45 days prior to the redemption date, such redemption notice shall be given to the respective owners of the 2007 Bonds designated for redemption, by first class mail, postage prepaid, at their

addresses appearing on the Bond Register, and such redemption notice shall be so mailed a second time no more than 60 days after the redemption date to holders of 2007 Bonds who have not turned in their 2007 Bonds to the Trustee for redemption 30 days after the redemption date.

(2) At least one Business Day before a date on which the redemption notice is mailed to the owners pursuant to paragraph (1) above, such redemption notice shall be given by (A) registered or certified mail, postage prepaid, (B) confirmed facsimile transmission, or (C) overnight delivery service, to the following securities depository and to any other securities depository that is a registered owner:

The Depository Trust Company  
Attn: Supervisor, Call Notification Department  
55 Water Street, 50th Floor  
New York, NY 10041-0099  
Telephone Number: (212) 855-7207, 7208 or 7209  
Facsimile Number: (212) 855-7232, 7233, 7234 or 7285

(3) On a date on which the redemption notice is mailed to the owners pursuant to paragraph (1) above, such redemption notice shall be given by (A) registered or certified mail, postage prepaid, (B) overnight delivery service, or (C) first class mail, postage prepaid, to each of the following information services or their successors:

Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, NJ 08558  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
<http://www.bloomberg.com/markets/rates/municontacts.html>  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
<http://www.dpcdata.com>  
Email: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)

Interactive Data Pricing and Reference Data, Inc.  
Attn: NRMSIR  
100 William Street, 15th Floor  
New York, NY 10038  
Phone: 212-771-6999; 800-689-8466  
Fax: 212-771-7390  
<http://www.interactivedata-prd.com>  
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.  
55 Water Street, 45th Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
<http://www.disclosuredirectory.standardandpoors.com/>  
Email: nrmsir\_repository@sandp.com

Any filing required under the terms of the Disclosure Certificate may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

(4) In addition to the foregoing, if Auction Rate Securities are to be redeemed in part and such Auction Rate Securities are held by a Securities Depository, the Trustee shall include in the notice of the call for redemption delivered to the Securities Depository (i) a date placed under an item entitled "Publication Date for Securities Depository Purposes" and such date shall be three Business Days after the Auction Date immediately preceding such redemption date (in the case of a daily Auction Period, such date shall be three Business Days immediately preceding the date of redemption) and (ii) an instruction to the Securities Depository to (x) determine on such Publication Date after the Auction held on the immediately preceding Auction Date has settled, the Securities Depository Participants whose Securities Depository positions shall be redeemed and the principal amount of such Auction Rate Securities to be redeemed from each such position (the "Securities Depository Redemption Information"), and (y) notify the Trustee immediately after such determination of (1) the positions of the Securities Depository Participants in such Auction Rate Securities immediately prior to such Auction settlement, (2) the position of the Securities Depository Participants in such Auction Rate Securities immediately following such

Auction settlement, and (3) the Securities Depository Redemption Information. Immediately upon receipt of the notice referred to in (y) of the preceding sentence, the Trustee shall send a copy of such notice to the Auction Agent.

(5) Neither failure to receive any redemption notice nor any defect in such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of such 2007 Bonds. Failure by the Trustee to deliver such notice of redemption of the 2007 Bonds at the times required herein shall not impair the ability of the Trustee and the Corporation to effect such redemption.

Each check or other transfer of funds issued for the purpose of redeeming any 2007 Bond shall bear or be accompanied by a statement specifying the CUSIP number identifying the 2007 Bonds being redeemed with the proceeds of such check or other transfer. The Trustee shall have no responsibility for a defect in the CUSIP number that appears on any 2007 Bond or in the redemption notice, statement or check. The redemption notice may provide that the CUSIP numbers have been assigned by an independent service and are included in the notice solely for the convenience of Bondholders and that the Trustee and the Corporation shall not be liable in any way for inaccuracies in said numbers.

## ARTICLE VII MISCELLANEOUS

Section 701 - Education Loan Interest Deferral. Chapter 16, Session Laws of Alaska 1988, transfers and appropriates certain Education Loans to the Corporation for the education loan fund established under Section 14.42.210 of the Act. Pursuant to the education loan notes and the statutes and regulations pursuant to which such Education Loans were or are to be made, interest on said Education Loans and on the Education Loans to be acquired with proceeds of the 2007 Bonds will not accrue (or, if accruing, will be payable by the State and not by the borrower) during certain periods as set forth in the statutes and regulations applicable to those Education Loans. Notwithstanding any provisions of the Alaska Statutes which indicate that the State of Alaska will make payment of interest on such Education Loans during such deferral periods and for the period before the beginning of the repayment period of each such Education Loan, the Corporation does not expect to receive any such payments from the State of Alaska, and the State of Alaska cannot be required to make any such payments. In addition, Alaska Statutes have indicated that the State of Alaska will make certain principal payments on behalf of the borrower of an Education Loan in connection with the forgiveness program; the Corporation does not expect to receive any such payment from the State of Alaska. The Corporation has waived and the Corporation, the Trustee, and the Bondholders (by virtue of their ownership of Bonds)

do hereby waive any right to receive any payments described in the preceding sentences from the State of Alaska, and any right to claim that any said payments ever were, are or will be payable by any other party except as expressly provided under the terms of any applicable law, regulation or document.

Section 702 - No Recourse Against Members or Other Persons. No recourse shall be had for the payment of the principal of or interest on the 2007 Bonds or for any claim based thereon or on this Sixth Supplemental Indenture against any member of the Corporation or any person executing the 2007 Bonds, and neither the members of the Corporation nor any person executing the 2007 Bonds shall be liable personally on the 2007 Bonds or be subject to any personal liability or accountability by reason of the execution thereof.

Section 703 - Reports; Future Issues; Continuing Disclosure. (A) As long as Fitch or Standard & Poor's Ratings Group is a Rating Agency with respect to the 2007 Bonds, the Corporation covenants to provide Fitch or Standard & Poor's Ratings Group, respectively, with reasonably requested and required reports concerning the Corporation's finances and operations in a timely manner, provided that the request for any such report is in writing and is specific.

(B) As long as Standard & Poor's Ratings Group is a Rating Agency with respect to the 2007 Bonds, the Corporation covenants to provide Standard & Poor's Ratings Group, prior to all future bond issues under the Master Indenture, with all reasonably required information necessary for Standard & Poor's Ratings Group to review and affirm their rating on the 2007 Bonds.

(C) The Corporation hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Sixth Supplemental Indenture or of the Master Indenture, failure of the Corporation to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Corporation to comply with its obligations under this Section 703(C).

Section 704 - Waiver of Confirmation. The Corporation acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Corporation the right to receive brokerage confirmations of the security transactions as they occur, the Corporation specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Corporation monthly periodic cash transaction statements that include the detail for all investment transactions made by the Trustee hereunder.

Section 705 - Payments to Auction Agent. Not later than 2:00 p.m., New York city time, on each Interest Payment Date the Trustee shall pay to the Auction Agent as a Program Expense, in immediately available funds out of amounts held in the Revenue Fund, an amount equal to the Auction Agent fee (together with, or including, as applicable, the Broker-Dealer fee) as calculated in the respective Auction Agreement and Broker-Dealer Agreement. The Trustee shall, from time to time, at the request of the Auction Agent and at the written direction of an Authorized Officer, reimburse the Auction Agent for its reasonable expenses as provided in the Auction Agreement, such expenses to be paid as Program Expenses out of amounts in the Revenue Fund.

Section 706 - Effective Date. This Sixth Supplemental Indenture shall be effective as of the date first above written.

IN WITNESS WHEREOF, THE ALASKA STUDENT LOAN CORPORATION has caused this Sixth Supplemental Indenture to be executed by its Executive Officer, and U.S. BANK NATIONAL ASSOCIATION has caused this Sixth Supplemental Indenture to be executed by an authorized representative, all as of the day and year first above written.

ALASKA STUDENT LOAN CORPORATION

By   
DIANE BARRANS  
Executive Officer

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By   
GREG E. SKUTNIK  
Assistant Vice President

## **EXHIBIT A**

### **AUCTION RATE PROCEDURES**

Relating to

Alaska Student Loan Corporation  
Education Loan Revenue Bonds  
Senior Series 2007A-1  
(herein referred to as the "Bonds")

This Exhibit A shall for all purposes be deemed to be a part of the Sixth Supplemental Indenture to which it is attached.

Both the definitions in Article I and the Auction Procedures in Article II are subject to modification or amendment pursuant to Schedule I. In the event of any conflict between Article I or Article II and Schedule I, Schedule I shall prevail. Any reference herein to "Series" such as "a Series of Bonds" or "Bonds of a Series" shall not apply if there is only one Series of Bonds.

#### **ARTICLE I Definitions**

In addition to the words and terms otherwise defined in the Authorizing Document, the following words and terms as used in this Exhibit A (hereinafter "this Exhibit") and elsewhere in the Authorizing Document have the following meanings with respect to Bonds in an ARS Rate Period unless the context or use indicates another or different meaning or intent or the definition has been changed, modified or expanded in Schedule I:

**"Agent Member"** means a member of, or participant in, the Securities Depository who shall act on behalf of a Bidder.

**"All Hold Rate"** has the meaning set forth in Schedule I.

**"ARS Conversion Date"** means with respect to Bonds, the date on which the Bonds of such Series convert from an interest rate period other than an ARS Rate Period and begin to bear interest at the Auction Period Rate.

**"ARS Rate Period"** means, for each Series of Bonds, any period of time commencing on the day following the Initial Auction Date and ending on the earlier of the Conversion Date or the day preceding the final maturity date of such Bonds.

**"Auction"** means each periodic implementation of the Auction Procedures.

**"Auction Agent"** means the Person appointed as Auction Agent in accordance with the Auction Agreement. The Auction Agent shall initially be the party named in Schedule I.

**"Auction Agreement"** means an agreement between the Auction Agent and the Trustee pursuant to which the Auction Agent agrees to follow the procedures specified in this Exhibit with respect to the Bonds while such Bonds bear interest at the Auction Rate, as such agreement may from time to time be amended or supplemented.

**"Auction Date"** means with respect to any Series of Bonds:

(a) Daily Auction Period. If the Bonds are in a daily Auction Period, each Business Day unless such day is the Business Day prior to the conversion from a daily Auction Period to another Auction Period,

(b) Flexible Auction Period. If the Bonds are in a Flexible Auction Period, the last Business Day of the Flexible Auction Period, and

(c) Other Auction Periods. If the Bonds are in any other Auction Period, the Business Day next preceding the first day of each Auction Period for such Bonds (whether or not an Auction shall be conducted on such date);

provided, however, that the last Auction Date with respect to the Bonds in an Auction Period other than a Daily Auction Period or Flexible Auction Period shall be the earlier of (i) the Business Day next preceding the first day of each Auction Period ending on the Conversion Date for the Bonds or (ii) the Business Day next preceding the first day of each Auction Period next preceding the final maturity date for the Bonds; and

provided, further, that if the Bonds are in a daily Auction Period, the last Auction Date shall be the earlier of (x) the second Business Day next preceding the Conversion Date for the Bonds and (y) the Business Day next preceding the final maturity date for the Bonds. The last Business Day of a Flexible Auction Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any. On the second Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be an Auction for the last daily Auction Period. On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be one Auction for the first Auction Period following the conversion.

The first Auction Date for each Series of Bonds is set forth in Schedule I.

**"Auction Desk"** means the business unit of a Broker-Dealer that fulfills the responsibilities of the Broker-Dealer under a Broker-Dealer Agreement, including soliciting Bids for the Bonds, and units of the Broker-Dealer which are not separated

from such business unit by information controls appropriate to control, limit and monitor the inappropriate dissemination and use of information about Bids.

**"Auction Period"** means with respect to each Series of Bonds:

(a) *Flexible Auction Period.* A Flexible Auction Period;

(b) *Daily Auction Period.* With respect to a Series of Bonds in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day unless such Business Day is the second Business Day preceding the conversion from a daily Auction Period to another Auction Period, in which case the daily Auction Period shall extend to, but not include, the Conversion Date;

(c) *Seven day Auction Period.* With respect to a Series of Bonds in a seven-day Auction Period, if Auctions generally are conducted on the day of the week specified in column A of the table below, a period of generally seven days beginning on the day of the week specified in column B of the table below (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day of the week specified in column C of the table below) and ending on the day of the week specified in column C of the table below in the next succeeding week (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day):

(A)	(B)	(C)
When Auctions Occur on this day	Auction Period Generally Begins this day	Auction Periods Generally End this day
Friday	Monday	Sunday
Monday	Tuesday	Monday
Tuesday	Wednesday	Tuesday
Wednesday	Thursday	Wednesday
Thursday	Friday	Thursday

(d) *28-day Auction Period.* With respect to a Series of Bonds in a 28-day Auction Period, if Auctions generally are conducted on the day of the week specified in column A of the table above, a period of generally 28 days beginning on the day of the week specified in column B of the table above (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day of the week specified in column C of the table above) and ending on the same day of the week specified in column C of the table above four weeks later (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day).

(e) *35-day Auction Period.* With respect to a Series of Bonds in a 35-day Auction Period, if Auctions generally are conducted on the day of the week specified

in column A of the table above, a period of generally 35 days beginning on the day of the week specified in column B of the table above (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day of the week specified in column C of the table above) and ending on the day of the week specified in column C of the table above five weeks later (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day).

(f) *Three-month Auction Period.* With respect to a Series of Bonds in a three-month Auction Period, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the calendar day immediately preceding the first Business Day of the month that is the third calendar month following the beginning date of such Auction Period; and

(g) *Six-month Auction Period.* With respect to a Series of Bonds in a six-month Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the next succeeding date set forth in Schedule I;

Provided, however, that if there is a conversion of a Series of Bonds with Auctions generally conducted on the day of the week specified in column A of the table above, (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion and shall end on the next succeeding day of the week specified in column C of the table above (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion and shall end of the day of the week specified in column C of the table above (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion and shall end on the day of the week specified in column C of the table above (unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion.

Notwithstanding the foregoing, if an Auction is for an Auction Period of more than seven days and the Auction Rate on such Auction Date is the Maximum Rate as the result of a lack of Sufficient Clearing Bids, the Auction Period shall automatically convert to a seven-day Auction Period. On the following Auction Date, the Auction shall be conducted for an Auction Period of the same length as the Auction Period prior to such automatic conversion. If such Auction is successful, the Auction Period shall

revert to the length prior to the automatic conversion, and, if such Auction is not successful, the Auction Period shall be another seven-day period.

(h) The Auction Period for the Bonds shall initially be an approximately 35-day Auction Period. The Auction Period Rate from the date of delivery of the Bonds to, but not including, the first day of the next Auction Period, is \_\_\_\_\_%.

**"Auction Period Rate"** means the Auction Rate or any other rate of interest to be borne by the Bonds during each Auction Period determined in accordance with Section 2.04 of this Exhibit; provided, however, in no event may the Auction Period Rate exceed the Maximum Rate.

**"Auction Procedures"** means the procedures for conducting Auctions for Bonds during an ARS Rate Period set forth in this Exhibit.

**"Auction Rate"** means for each Series of Bonds for each Auction Period, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, provided, however, if all of the Bonds are the subject of Submitted Hold Orders, the All Hold Rate for such Series of Bonds and (ii) if Sufficient Clearing Bids do not exist, the Maximum Rate for such Series of Bonds.

**"Authorizing Document"** has the meaning set forth in Schedule I.

**"Available Bonds"** means, for each Series of Bonds on each Auction Date, the number of Units of Bonds that are not the subject of Submitted Hold Orders.

**"Bid"** has the meaning specified in subsection (a) of Section 2.01 of this Exhibit.

**"Bidder"** means each Existing Owner and Potential Owner who places an Order.

**"Bonds"** has the meaning set forth herein and in Schedule I.

**"Broker-Dealer"** means any entity that is permitted by law to perform the function required of a Broker-Dealer described in this Exhibit, that is a member of, or a direct participant in, the Securities Depository, that has been selected by the Corporation and that is a party to a Broker-Dealer Agreement with the Auction Agent and the Corporation. The "Broker-Dealer of record" with respect to any Bond is the Broker-Dealer which placed the Order for such Bond or whom the Existing Owner of such Bond has designated as its Broker-Dealer with respect to such Bond, in each case as reflected in the records of the Auction Agent.

**"Broker-Dealer Agreement"** means an agreement among the Auction Agent, the Corporation and a Broker-Dealer pursuant to which such Broker-Dealer agrees to

follow the procedures described in this Exhibit, as such agreement may from time to time be amended or supplemented.

**"Broker-Dealer Deadline"** means, with respect to an Order, the internal deadline established by the Broker-Dealer through which the Order was placed after which it will not accept Orders or any change in any Order previously placed with such Broker-Dealer; provided, however, that nothing shall prevent the Broker-Dealer from correcting Clerical Errors by the Broker-Dealer with respect to Orders from Bidders after the Broker-Dealer Deadline pursuant to the provisions herein. Any Broker-Dealer may change the time or times of its Broker-Dealer Deadline as it relates to such Broker-Dealer by giving notice, not less than two Business Days prior to the date such change is to take effect, to Bidders who place Orders through such Broker-Dealer.

**"Business Day"** in addition to any other definition of "Business Day" included in the Authorizing Document, while Bonds bear interest at the Auction Period Rate, the term Business Day shall not include Saturdays, Sundays, days on which the New York Stock Exchange or its successor is not open for business, days on which the Federal Reserve Bank of New York is not open for business, days on which banking institutions or trust companies located in the state in which the operations of the Auction Agent are conducted are authorized or required to be closed by law, regulation or executive order of the state in which the Auction Agent conducts operations with respect to the Bonds.

**"Clerical Error"** means a clerical error in the processing of an Order, and includes, but is not limited to, the following: (i) a transmission error, including but not limited to, an Order sent to the wrong address or number, failure to transmit certain pages or illegible transmission, (ii) failure to transmit an Order received from one or more Existing Owners or Potential Owners (including Orders from the Broker-Dealer which were not originated by the Auction Desk) prior to the Broker-Dealer Deadline or generated by the Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline or (iii) a typographical error. Determining whether an error is a "Clerical Error" is within the reasonable judgment of the Broker-Dealer, provided that the Broker-Dealer has a record of the correct Order that shows it was so received or so generated prior to the Broker-Dealer Deadline or the Submission Deadline, as applicable.

**"Conversion Date"** means the date on which any Series of the Bonds begin to bear interest at a rate which is determined other than by means of the Auction Procedures.

**"Corporation"** has the meaning set forth in Schedule I.

**"Electronic Means"** means, facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

**"Error Correction Deadline"** means one hour after the Auction Agent completes the dissemination of the results of the Auction to Broker-Dealers without regard to the time of receipt of such results by any Broker-Dealer; provided, however, in no event shall the Error Correction Deadline extend past 4:00 p.m., New York City time unless the Auction Agent experiences technological failure or force majeure in disseminating the Auction results which causes a delay in dissemination past 3:00 p.m., New York City time.

**"Existing Owner"** means a Person who is listed as the beneficial owner of Bonds in the records of the Auction Agent; provided, however, that for purposes of conducting an Auction, the Auction Agent may consider a Broker-Dealer acting on behalf of its customer as an Existing Owner.

**"Flexible Auction Period"** means with respect to a Series of Bonds,

(a) any period of 182 days or less which is divisible by seven and which begins on the day following the prior Auction Period and ends (i) in the case of a Series of Bonds with Auctions generally conducted on Fridays, on a Sunday unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (ii) in the case of a Series of Bonds with Auctions generally conducted on Mondays, on a Monday unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iii) in the case of a Series of Bonds with Auctions generally conducted on Tuesdays, on a Tuesday unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iv) in the case of a Series of Bonds with Auctions generally conducted on Wednesdays, on a Wednesday unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, and (v) in the case of a Series of Bonds with Auctions generally conducted on Thursdays, on a Thursday unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day or

(b) any period which is longer than 182 days which begins on an Interest Payment Date and ends not later than the final scheduled maturity date of such Series of Bonds.

**"Hold Order"** means an Order to hold the Bonds as provided in Section 2.01(a) of this Exhibit or such an Order deemed to have been submitted as provided in Section 2.01(c) of this Exhibit.

**"Index"** has the meaning set forth in Schedule I.

**"Initial Auction Date"** has the meaning set forth in Schedule I.

**"Maximum Rate"** has the meaning set forth in Schedule I.

**"Order"** means a Hold Order, Bid or Sell Order.

**"Potential Owner"** means any Person, including any Existing Owner, who may be interested in acquiring a beneficial interest in the Bonds in addition to the Bonds currently owned by such Person, if any; provided, however, that for purposes of conducting an Auction, the Auction Agent may consider a Broker-Dealer acting on behalf of its customer as a Potential Owner.

**"Record Date"** means, notwithstanding anything else in the Authorizing Document, while the Bonds bear interest at the Auction Period Rate, the Business Day immediately preceding an Interest Payment Date.

**"Schedule I"** means Schedule I to this Exhibit.

**"Securities Depository"** means, notwithstanding anything else in the Authorizing Document to the contrary, The Depository Trust Company and its successors and assigns or any other securities depository selected by the Corporation.

**"Sell Order"** has the meaning specified in subsection (a) of Section 2.01 of this Exhibit.

**"Submission Deadline"** means, unless changed by Schedule I, 1:00 p.m., New York City time, on each Auction Date not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent if directed in writing by the Trustee or the Corporation pursuant to the Auction Agreement as the time by which Broker-Dealers are required to submit Orders to the Auction Agent. Notwithstanding the foregoing, the Auction Agent will follow the Securities Industry and Financial Markets Association's Early Market Close Recommendations for shortened trading days for the bond markets (the "SIFMA Recommendation") unless the Auction Agent is instructed otherwise in writing by the Trustee or the Corporation. In the event of a SIFMA Recommendation with respect to an Auction Date, the Submission Deadline will be 11:30 a.m., instead of 1:00 p.m., New York City time.

**"Submitted Bid"** has the meaning specified in subsection (b) of Section 2.04 of this Exhibit.

**"Submitted Hold Order"** has the meaning specified in subsection (b) of Section 2.04 of this Exhibit.

**"Submitted Order"** has the meaning specified in subsection (b) of Section 2.04 of this Exhibit.

"Submitted Sell Order" has the meaning specified in subsection (b) of Section 2.04 of this Exhibit.

"Sufficient Clearing Bids" means for each Series of Bonds, an Auction for which the number of Units of such Bonds that are the subject of Submitted Bids by Potential Owners specifying one or more rates not higher than the Maximum Rate is not less than the number of Units of such Bonds that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Rate.

"Units" has the meaning set forth in Section 2.02(a)(iii) of this Exhibit.

"Winning Bid Rate" means for each Series of Bonds, the lowest rate specified in any Submitted Bid of such Series which if calculated by the Auction Agent as the ARS Rate would cause the number of Units of such Bonds that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the number of Units of Available Bonds of such Series.

## **ARTICLE II**

### **Auction Procedures**

*Section 2.01. Orders by Existing Owners and Potential Owners.* (a) Prior to the Broker-Dealer Deadline for each Series of Bonds on each Auction Date:

(i) each Existing Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, one or more Orders as to:

(A) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner commits to continue to hold for the next succeeding Auction Period without regard to the Auction Rate for such Auction Period,

(B) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner commits to continue to hold for the next succeeding Auction Period if the Auction Rate for the next succeeding Auction Period is not less than the rate per annum specified in such Order (and if the Auction Rate is less than such specified rate, the effect of the Order shall be as set forth in paragraph (b)(i)(A) of this Section), and/or

(C) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner offers to sell on the first Business Day of the next succeeding Auction Period (or on the same day in the case of a daily Auction Period) without regard to the Auction Rate for the next succeeding Auction Period; and

(ii) each Potential Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, an Order as to the principal amount of Bonds, which each such Potential Owner offers to purchase if the Auction Rate for the next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes of the Auction Procedures an Order containing the information referred to in clause (i)(A) above is referred to as a "Hold Order," an Order containing the information referred to in clause (i)(B) or (ii) above is referred to as a "Bid," and an Order containing the information referred to in clause (i)(C) above is referred to as a "Sell Order."

No Auction Desk of a Broker-Dealer shall accept as an Order a submission (whether received from an Existing Owner or a Potential Owner or generated by the Broker-Dealer for its own account) which does not conform to the requirements of the Auction Procedures, including, but not limited to, submissions which are not in Authorized Denominations, specify a rate which contains more than three figures to the right of the decimal point or specify an amount greater than the amount of Outstanding Bonds. No Auction Desk of a Broker-Dealer shall accept a Bid or Sell Order which is conditioned on being filled in whole or which does not specify a specific interest rate.

(iii) A Bid by an Existing Owner shall constitute an offer to sell on the first Business Day of the next succeeding Auction Period (or the same day in the case of a daily Auction Period):

(A) the principal amount of Bonds specified in such Bid if the Auction Rate for the next succeeding Auction Period shall be less than the rate specified in such Bid; or

(B) such principal amount or a lesser principal amount of Bonds to be determined as described in subsection (a)(v) of Section 2.05 hereof if the Auction Rate for the next succeeding Auction Period shall be equal to such specified rate; or

(C) a lesser principal amount of Bonds to be determined as described in subsection (b)(iv) of Section 2.05 hereof if such specified rate shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

(ii) A Sell Order by an Existing Owner shall constitute an offer to sell:

(A) the principal amount of Bonds specified in such Sell Order;  
or

(B) such principal amount or a lesser principal amount of Bonds as described in subsection (b)(iv) of Section 2.05 hereof if Sufficient Clearing Bids do not exist.

(iii) A Bid by a Potential Owner shall constitute an offer to purchase:

(A) the principal amount of Bonds specified in such Bid if the Auction Rate for the next succeeding Auction Period shall be higher than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Bonds as described in subsection (a)(vi) of Section 2.05 hereof if the Auction Rate for the next succeeding Auction Period shall be equal to such specified rate.

(c) Anything herein to the contrary notwithstanding:

(i) If an Order or Orders covering all of the Bonds of a particular Series held by an Existing Owner is not submitted to the Broker-Dealer of record for such Existing Owner prior to the Broker-Dealer Deadline, such Broker-Dealer shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds held by such Existing Owner and not subject to Orders submitted to such Broker-Dealer; provided, however, that if there is a conversion from one Auction Period to a longer Auction Period and Orders have not been submitted to such Broker-Dealer prior to the Broker-Dealer Deadline covering the aggregate principal amount of Bonds of a particular Series to be converted held by such Existing Owner, such Broker-Dealer shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds to be converted held by such Existing Owner not subject to Orders submitted to such Broker-Dealer.

(ii) for purposes of any Auction, any Order by any Existing Owner or Potential Owner shall be revocable until the Broker-Dealer Deadline, and after the Broker-Dealer Deadline, all such Orders shall be irrevocable, except as provided in Sections 2.02(e)(ii) and 2.02(f); and

(iii) for purposes of any Auction, any Bonds sold or purchased pursuant to subsection (b)(i), (ii) or (iii) above shall be sold or purchased at a price equal to 100% of the principal amount thereof plus accrued interest, if any, to the date of sale or purchase.

*Section 2.02. Submission of Orders by Broker-Dealers to Auction Agent.*

(a) Each Broker-Dealer shall submit to the Auction Agent in writing, or by such Electronic Means as shall be reasonably acceptable to the Auction Agent, prior to the Submission Deadline on each Auction Date for Bonds of a Series, all Orders with

respect to Bonds of such Series accepted by such Broker-Dealer in accordance with Section 2.01 above and specifying with respect to each Order or aggregation of Orders pursuant to Section 2.02(b) below:

- (i) the name of the Broker-Dealer;
- (ii) the number of Bidders placing Orders, if requested by the Auction Agent;
- (iii) the aggregate number of Units of Bonds of such Series, if any, that are the subject of such Order, where each Unit is equal to the principal amount of the minimum Authorized Denomination of the Bonds;
- (iv) to the extent that such Bidder is an Existing Owner:
  - (A) the number of Units of Bonds of such Series, if any, subject to any Hold Order placed by such Existing Owner;
  - (B) the number of Units of Bonds of such Series, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and
  - (C) the number of Units of Bonds of such Series, if any, subject to any Sell Order placed by such Existing Owner; and
- (v) to the extent such Bidder is a Potential Owner, the rate specified in such Bid.

(b) If more than one Bid is submitted to a Broker-Dealer on behalf of any single Potential Owner, the Broker-Dealer shall aggregate each Bid on behalf of such Potential Owner submitted with the same rate and consider such Bids as a single Bid and shall consider each Bid submitted with a different rate a separate Bid with the rate and the number of Units of Bonds specified therein.

A Broker-Dealer may aggregate the Orders of different Potential Owners with those of other Potential Owners on whose behalf the Broker-Dealer is submitting Orders and may aggregate the Orders of different Existing Owners with other Existing Owners on whose behalf the Broker-Dealer is submitting Orders; provided, however, Bids may only be aggregated if the interest rates on the Bids are the same.

(c) The Corporation, the Trustee or the Auction Agent shall not be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Owner or Potential Owner.

(d) Nothing contained herein shall preclude a Broker-Dealer from placing an Order for some or all of the Bonds for its own account subject to the conditions set forth in this Exhibit.

(e) Until the Submission Deadline, a Broker-Dealer may withdraw or modify any Order previously submitted to the Auction Agent (i) for any reason if the Order was generated by the Auction Desk of the Broker-Dealer for the account of the Broker-Dealer or (ii) to correct a Clerical Error in the case of any other Order, including Orders from the Broker-Dealer which were not originated by the Auction Desk.

(f) After the Submission Deadline and prior to the Error Correction Deadline, a Broker-Dealer may:

(i) submit to the Auction Agent an Order received from an Existing Owner, Potential Owner or a Broker-Dealer which is not an Order originated by the Auction Desk, in each case prior to the Broker-Dealer Deadline, or an Order generated by the Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline (provided that in each case the Broker-Dealer has a record of such Order and the time when such Order was received or generated) and not submitted to the Auction Agent prior to the Submission Deadline as a result of (A) an event of force majeure or a technological failure which made delivery prior to the Submission Deadline impossible or, under the conditions then prevailing impracticable or (B) a Clerical Error on the part of the Broker-Dealer; or

(ii) modify or withdraw an Order received from an Existing Owner or Potential Owner or generated by the Broker-Dealer (whether generated by the Broker-Dealer's Auction Desk or elsewhere within the Broker Dealer) for its own account and submitted to the Auction Agent prior to the Submission Deadline or pursuant to clause (i) above, if the Broker-Dealer determines that such Order contained a Clerical Error on the part of the Broker-Dealer.

In the event a Broker-Dealer makes a submission, modification or withdrawal pursuant to this Section 2.02(f) and the Auction Agent has already run the Auction, the Auction Agent shall rerun the Auction, taking into account such submission, modification or withdrawal. Each submission, modification or withdrawal of an Order submitted pursuant to this Section 2.02(f) by a Broker-Dealer after the Submission Deadline and prior to the Error Correction Deadline shall constitute a representation by the Broker-Dealer that (A) in the case of a newly submitted Order or portion thereof or revised Order, the failure to submit such Order prior to the Submission Deadline resulted from an event described in clause (i) above and such Order was received from an Existing Owner or Potential Owner or is an Order received from the Broker-Dealer that was not originated by the Auction Desk, in each case, prior to the Broker-Dealer Deadline, or generated internally by such Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline or (B) in the case of a

modified or withdrawn Order, such Order was received from an Existing Owner, a Potential Owner or the Broker-Dealer which was not originated by the Auction Desk prior to the Broker-Dealer Deadline, or generated internally by such Broker-Dealer's Auction Desk for its own account prior to the Submission Deadline and such Order as submitted to the Auction Agent contained a Clerical Error on the part of the Broker-Dealer and that such Order has been modified or withdrawn solely to effect a correction of such Clerical Error, and in the case of either (A) or (B), as applicable, the Broker-Dealer has a record of such Order and the time when such Order was received or generated. The Auction Agent shall be entitled to rely conclusively (and shall have no liability for relying) on such representation for any and all purposes of the Auction Procedures.

(g) If after the Auction Agent announces the results of an Auction, a Broker-Dealer becomes aware that an error was made by the Auction Agent, the Broker-Dealer shall communicate such awareness to the Auction Agent prior to 5:00 p.m. New York City time on the Auction Date (or 2:00 p.m. New York City time in the case of Bonds in a daily Auction Period). If the Auction Agent determines there has been such an error (as a result of either a communication from a Broker-Dealer or its own discovery) prior to 3:00 p.m. New York City time on the first day of the Auction Period with respect to which such Auction was conducted, the Auction Agent shall correct the error and notify each Broker-Dealer that submitted Bids or held a position in Bonds in such Auction of the corrected results.

(h) Nothing contained herein shall preclude the Auction Agent from:

(i) advising a Broker-Dealer prior to the Submission Deadline that it has not received Sufficient Clearing Bids for the Bonds, provided, however, that if the Auction Agent so advises any Broker-Dealer, it shall so advise all Broker-Dealers; or

(ii) verifying the Orders of a Broker-Dealer prior to or after the Submission Deadline, provided, however, that if the Auction Agent verifies the Orders of any Broker-Dealer, it shall verify the Orders of all Broker-Dealers requesting such verification.

*Section 2.03. Treatment of Orders by the Auction Agent.* Anything herein to the contrary notwithstanding:

(a) If the Auction Agent receives an Order which does not conform to the requirements of the Auction Procedures, the Auction Agent may contact the Broker-Dealer submitting such Order until one hour after the Submission Deadline and inform such Broker-Dealer that it may resubmit such Order so that it conforms to the requirements of the Auction Procedures. Upon being so informed such Broker-Dealer may correct and resubmit to the Auction Agent any such Order, that solely as a result of a Clerical Error on the part of such Broker-Dealer, did not conform to the

requirements of the Auction Procedures when previously submitted to the Auction Agent. Any such resubmission by a Broker-Dealer shall constitute a representation by such Broker-Dealer that the failure of such Order to have so conformed was solely as a result of a Clerical Error on the part of such Broker-Dealer. If the Auction Agent has not received a corrected conforming Order within one hour and fifteen minutes of the Submission Deadline, the Auction Agent shall, if and to the extent applicable, adjust or apply such Order, as the case may be, in conformity with the provisions of subsections (b), (c) or (d) of this Section 2.03 and, if the Auction Agent is unable to so adjust or apply such Order, the Auction Agent shall reject such Order.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(c) If one or more Orders covering in the aggregate more than the number of Units of Outstanding Bonds of a particular Series are submitted by a Broker-Dealer to the Auction Agent, such Orders shall be considered valid in the following order of priority:

(i) all Hold Orders shall be considered Hold Orders, but only up to and including in the aggregate the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record;

(ii) (A) any Bid of a Broker-Dealer shall be considered valid as a Bid of an Existing Owner up to and including the excess of the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of the Bonds of such Series subject to Hold Orders referred to in clause (i) above;

(B) subject to clause (A) above, all Bids of a Broker-Dealer with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record subject to Hold Orders referred to in clause (i) above;

(C) subject to clause (A) above, if more than one Bid with different rates is submitted by a Broker-Dealer, such Bids shall be considered Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record over the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record subject to Hold Orders referred to in clause (i) above; and

(D) the number of Units, if any, of such Bonds of such Series subject to Bids not considered to be Bids for which such Broker-Dealer is the Broker-Dealer of record under this clause (ii) shall be treated as the subject of a Bid by a Potential Owner;

(iii) all Sell Orders shall be considered Sell Orders, but only up to and including the number of Units of Bonds of such Series equal to the excess of the number of Units of Bonds of such Series for which such Broker-Dealer is the Broker-Dealer of record over the sum of the number of Units of the Bonds of such Series considered to be subject to Hold Orders pursuant to clause (i) above and the number of Units of Bonds of such Series considered to be subject to Bids for which such Broker-Dealer is the Broker-Dealer of record pursuant to clause (ii) above.

(d) If any Order is for other than an integral number of Units, then the Auction Agent shall round the amount down to the nearest number of whole Units, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such number of Units.

(e) For purposes of any Auction other than during a Daily Auction Period, if an Auction Agent has been notified by the Trustee or the Corporation that any portion of an Order by a Broker-Dealer relates to a Bond which has been called for redemption on or prior to the first Business Day following the Auction Period, the Order shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted.

(f) For purposes of any Auction other than during a daily Auction Period, no portion of a Bond which the Auction Agent has been notified by the Trustee or Corporation has been called for redemption on or prior to the first Business Day following the Auction Period next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction.

(g) If an Order or Orders covering all of the Bonds of a particular Series is not submitted by a Broker-Dealer of record prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Broker-Dealer covering the number of Units of Bonds for which such Broker-Dealer is the Broker-Dealer of record and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to a longer Auction Period and Orders have not been submitted by such Broker-Dealer prior to the Submission Deadline covering the number of Units of Bonds of a particular Series to be converted for which such Broker-Dealer is the Broker-Dealer of record, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Broker-Dealer covering the number of Units of Bonds to be converted for which such Broker-Dealer is the Broker-Dealer of record not subject to Orders submitted by such Broker-Dealer.

*Section 2.04. Determination of Auction Period Rate.* (a) If requested by the Trustee or a Broker-Dealer, not later than 10:30 a.m., New York City time (or such other time as may be agreed to by the Auction Agent and all Broker-Dealers), on each Auction Date for each Series of Bonds, the Auction Agent shall advise such Broker-Dealer (and thereafter confirm to the Trustee, if requested) of the All Hold Rate, the Index and, if the Maximum Rate is not a fixed interest rate, the Maximum Rate. Such advice, and confirmation, shall be made by telephone or other Electronic Means acceptable to the Auction Agent.

(b) Promptly after the Submission Deadline for each Series of Bonds on each Auction Date, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(c) In the event the Auction Agent shall fail to calculate or, for any reason, fails to provide the Auction Rate on the Auction Date, for any Auction Period (i) if the preceding Auction Period was a period of 35 days or less, (A) a new Auction Period shall be established for the same length of time as the preceding Auction Period, if the failure to make such calculation was because there was not at the time a duly appointed and acting Auction Agent or Broker-Dealer, and the Auction Period Rate for the new Auction Period shall be 100% of the Index set forth in Schedule I under "Determination of Auction Period Rate" if the Index is ascertainable on such date (by the Auction Agent, if there is at the time an Auction Agent, or the Trustee, if at the time there is no Auction Agent) or, (B) if the failure to make such calculation was for any other reason or if the Index is not ascertainable on such date, the prior Auction Period shall be extended to the seventh day following the day that would have been the last day of the preceding Auction Period (or if such seventh day is not followed by a Business Day then to the next succeeding day that is followed by a Business Day) and the Auction Period Rate for the period as so extended shall be the same as the Auction Period Rate for the Auction Period prior to the extension, and (ii) if the preceding Auction Period was a period of greater than 35 days, (A) a new Auction Period shall be established for a period that ends on the seventh day following the day that was the last day of the preceding Auction Period, (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) if the failure to make such calculation was because there was not at the time a duly appointed and acting Auction Agent or Broker-Dealer, and the Auction Period Rate for the new Auction Period shall be 100% of the Index set forth in Schedule I under "Determination of Auction Period Rate" if the Index is ascertainable on such date (by the Auction Agent, if there is at the time an Auction Agent, or the Trustee, if at the time there is no Auction Agent) or, (B) if the failure to make such calculation was for any other reason or if the Index is not ascertainable on such date, the prior Auction Period shall be extended to the seventh day following the day that would have been the last

day of the preceding Auction Period (or if such seventh day is not followed by a Business Day then to the next succeeding day that is followed by a Business Day) and the Auction Period Rate for the period as so extended shall be the same as the Auction Period Rate for the Auction Period prior to the extension. In the event a new Auction Period is established as set forth in clause (ii) (A) above, an Auction shall be held on the last Business Day of the new Auction Period to determine an Auction Rate for an Auction Period beginning on the Business Day immediately following the last day of the new Auction Period and ending on the date on which the Auction Period otherwise would have ended had there been no new Auction Period or Auction Periods subsequent to the last Auction Period for which a Winning Bid Rate had been determined. In the event an Auction Period is extended as set forth in clause (i) (B) or (ii) (B) above, an Auction shall be held on the last Business Day of the Auction Period as so extended to determine an Auction Rate for an Auction Period beginning on the Business Day immediately following the last day of the extended Auction Period and ending on the date on which the Auction Period otherwise would have ended had there been no extension of the prior Auction Period.

Notwithstanding the foregoing, neither new nor extended Auction Periods shall total more than 35 days in the aggregate. If at the end of the 35 days the Auction Agent fails to calculate or provide the Auction Rate, or there is not at the time a duly appointed and acting Auction Agent or Broker-Dealer, the Auction Period Rate shall be the Maximum Rate.

(d) In the event of a failed conversion from an Auction Period to any other period or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Period Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(e) If the Bonds are no longer maintained in book-entry-only form by the Securities Depository, then the Auctions shall cease and the Auction Period Rate shall be the Maximum Rate.

#### *Section 2.05. Allocation of Bonds.*

(a) In the event of Sufficient Clearing Bids for a Series of Bonds, subject to the further provisions of subsections (c) and (d) below, Submitted Orders for each Series of Bonds shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Sell Order of each Existing Owner shall be accepted and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell the Bonds that are the subject of such Submitted Sell Order or Submitted Bid;

(iii) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid;

(v) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid, but only up to and including the number of Units of Bonds obtained by multiplying (A) the aggregate number of Units of Outstanding Bonds which are not the subject of Submitted Hold Orders described in clause (i) above or of Submitted Bids described in clauses (iii) or (iv) above by (B) a fraction the numerator of which shall be the number of Units of Outstanding Bonds held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate number of Units of Outstanding Bonds subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of Bonds;

(vi) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid, but only in an amount equal to the number of Units of Bonds obtained by multiplying (A) the aggregate number of Units of Outstanding Bonds which are not the subject of Submitted Hold Orders described in clause (i) above or of Submitted Bids described in clauses (iii), (iv) or (v) above by (B) a fraction the numerator of which shall be the number of Units of Outstanding Bonds subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate number of Units of Outstanding Bonds subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(vii) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(b) In the event there are not Sufficient Clearing Bids for a Series of Bonds, Submitted Orders for each Series of Bonds shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid;

(iii) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the number of Units of Bonds obtained by multiplying (A) the aggregate number of Units of Bonds subject to Submitted Bids described in clause (iii) of this subsection (b) by (B) a fraction the numerator of which shall be the number of Units of Outstanding Bonds held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the number of Units of Outstanding Bonds subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of Bonds; and

(v) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Maximum Rate shall be rejected.

*Section 2.06. Notice of Auction Period Rate.* (a) On each Auction Date, the Auction Agent shall notify each Broker-Dealer that participated in the Auction held on such Auction Date by Electronic Means acceptable to the Auction Agent and the applicable Broker-Dealer of the following, with respect to each Series of Bonds for which an Auction was held on such Auction Date:

(i) the Auction Period Rate determined on such Auction Date for the succeeding Auction Period;

(ii) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(iii) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected and the number of Units of Bonds, if any, to be sold by such Existing Owner;

(iv) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected and the number of Units of Bonds, if any, to be purchased by such Potential Owner;

(v) if the aggregate number of Units of the Bonds to be sold by all Existing Owners on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate number of Units of Bonds to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the number of Units of Bonds to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(vi) the immediately succeeding Auction Date.

(b) On each Auction Date, with respect to each Series of Bonds for which an Auction was held on such Auction Date, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall: (i) if requested by an Existing Owner or a Potential Owner, advise such Existing Owner or Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Period Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of such Owner was accepted or rejected and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Potential Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the number of Units of Bonds to be purchased pursuant to such Bid (including accrued interest if the purchase date is not an Interest Payment Date for such Bond) against receipt of such Bonds; and (iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected in whole or in part, to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the number of Units of Bonds to be sold pursuant to such Bid or Sell Order against payment therefor.

(c) The Auction Agent shall give notice of the Auction Rate to the Corporation and Trustee by mutually acceptable Electronic Means and the Trustee shall promptly give notice of such Auction Rate to the Securities Depository.

*Section 2.07. Index.*

(a) If for any reason on any Auction Date the Index shall not be determined as provided in Schedule I, the Index shall be the Index for the Auction Period ending on such Auction Date.

(b) The determination of the Index as provided in Schedule I and herein shall be conclusive and binding upon the Corporation, the Trustee, the Broker-Dealers, the Auction Agent and the Owners of the Bonds.

*Section 2.08. Miscellaneous Provisions Regarding Auctions.*

(a) In this Exhibit, each reference to the purchase, sale or holding of Bonds shall refer to beneficial interests in Bonds, unless the context clearly requires otherwise.

(b) During an ARS Period with respect to each Series of Bonds, the provisions of the Authorizing Document and the definitions contained therein and described in this Exhibit, including without limitation the definitions of All Hold Rate, Index, Interest Payment Date, Maximum Rate, Auction Period Rate and Auction Rate, may be amended, subject to the Authorizing Document, by obtaining the consent of the owners of all affected Outstanding Bonds bearing interest at the Auction Period Rate as follows. If on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed amendment to the registered owners of the affected Outstanding Bonds as required by the Authorizing Document, (i) the Auction Period Rate which is determined on such date is the Winning Bid Rate or the All Hold Rate and (ii) there is delivered to the Corporation and the Trustee an opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of the Bonds or any exemption from federal income taxation to which the interest on the Bonds would otherwise be entitled, the proposed amendment shall be deemed to have been consented to by the registered owners of all affected Outstanding Bonds bearing interest at an Auction Period Rate.

(c) If the Securities Depository notifies the Corporation or the Trustee that it is unwilling or unable to continue as registered owner of the Bonds or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor to the Securities Depository is not appointed by the Corporation within 90 days after the Corporation receives notice or becomes aware of such condition, as the case may be, the Auctions shall cease and the Corporation shall execute and the Trustee shall authenticate and deliver certificates representing the

Bonds. Such Bonds shall be registered in such names and Authorized Denominations as the Securities Depository, pursuant to instructions from the Agent Members or otherwise, shall instruct the Corporation and the Trustee.

During an ARS Period, so long as the ownership of the Bonds is maintained in book-entry form by the Securities Depository, an Existing Owner or a beneficial owner may sell, transfer or otherwise dispose of a Bond only pursuant to a Bid or Sell Order in accordance with the Auction Procedures or to or through a Broker-Dealer, provided that (i) in the case of all transfers other than pursuant to Auctions, such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the holder of such Bonds to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Owner of the Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

*Section 2.09. Changes in Auction Period and Auction Date.*

(a) Changes in Auction Period.

(i) During any ARS Period, the Corporation, may, from time to time on the first Business Day immediately following the end of any Auction Period, change the length of the Auction Period with respect to all of the Bonds of a Series among daily, seven-days, 28-days, 35-days, three months, six months or a Flexible Auction Period in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by such Bonds. The Corporation shall initiate the change in the length of the Auction Period by giving written notice to the Trustee, the Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the following conditions described herein are satisfied and the proposed effective date of the change is at least ten Business Days prior to the Auction Date for such Auction Period

(ii) Any such changed Auction Period shall be for a period of one day, seven-days, 28-days, 35-days, three months, six months or a Flexible Auction Period and shall be for all of the Bonds of such Series.

(iii) The change in length of the Auction Period shall take effect only if Sufficient Clearing Bids exist at the Auction on the Auction Date for such new Auction Period. For purposes of the Auction for such new Auction Period only, except to the extent any Existing Owner submits an Order with respect to such Bonds of any Series each Existing Owner shall be deemed to have submitted Sell Orders with respect to all of its Bonds of such Series if the change is to a

longer Auction Period and a Hold Order if the change is to a shorter Auction Period. If there are not Sufficient Clearing Bids for the first Auction Period, the Auction Rate for the new Auction Period shall be the Maximum Rate, and the Auction Period shall be a seven-day Auction Period.

(b) **Changes in Auction Date.** During any ARS Period, the Auction Agent, at the direction of the Corporation, may specify an earlier or later Auction Date (but in no event more than five Business Days earlier or later) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne by the Bonds. The Auction Agent shall provide notice of the Corporation's direction to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the Trustee, the Corporation and the Broker-Dealers with a copy to the Securities Depository. In the event the Auction Agent is instructed to specify an earlier Auction Date, the days of the week on which an Auction Period begins and ends and the day of the week on which a Flexible Auction Period ends shall be adjusted accordingly.

*Section 2.10. Conversion from ARS Rate Periods.* At the option of the Corporation, but subject to Article IV of Exhibit E attached to the Authorizing Documents, all or a portion of a Series of the Bonds (in an amount which is an Authorized Denomination for the new Rate Period) may be converted from an ARS Rate Period to a Daily Rate Period, a Weekly Rate Period, a Term Rate Period or a Flexible Rate Period; provided, however, any conversion provision under this Section 2.10 shall be subject to the Corporation securing the consent of the Broker-Dealer if the aggregate principal amount outstanding of such Series of Bonds after such conversion is less \$10,000,000. Any such conversion shall be made as follows:

(i) The Conversion Date from an ARS Rate Period shall be the first Business Day following the final Auction Period.

(ii) The Corporation shall give written notice of any such conversion to the Trustee, if any, the Auction Agent and the Broker-Dealer not less than seven (7) Business Days prior to the date on which the Trustee is required to notify the registered owners of the conversion pursuant to subparagraph (iii) below. Such notice shall specify the ARS to be converted, the Conversion Date and the new rate period to which the conversion shall be made. Together with such notice, the Corporation shall file with the Trustee an opinion of Bond Counsel to the effect that the conversion of the Bonds to be converted shall not adversely affect the validity of the Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Bonds would otherwise be entitled. No change to a Daily Rate, a Weekly Rate, a Term Rate or a Flexible Rate shall become effective unless the Corporation shall also file, with the

Trustee, an opinion of Bond Counsel to the same effect dated the Conversion Date.

(iii) Not less than twenty (20) days prior to the Conversion Date, the Trustee shall mail a written notice of the conversion to the registered owners of all Bonds to be converted, specifying the Conversion Date.

(iv) At anytime prior to 10:00 a.m. New York City time on the Business Day immediately preceding the Conversion Date the Corporation may withdraw its notice of conversion and the Auction for such Bonds shall be held on such Auction Date as if no conversion notice had ever been given. If on a Conversion Date there has been no timely withdrawal of the conversion notice as set forth in the preceding sentence and any condition precedent to such conversion is not satisfied, the Trustee shall give notice by Electronic Means as soon as practicable and in any event not later than the next succeeding Business Day to the registered owner of the Bonds to have been converted, the Auction Agent and the Broker-Dealer that such conversion has not occurred, that the Bonds shall not be purchased on the failed Conversion Date, that the Auction Agent shall continue to implement the Auction Procedures on the Auction Dates with respect to such Bonds which otherwise would have been converted excluding however, the Auction Date falling on the Business Day next preceding the failed Conversion Date, and that the interest rate shall continue to be the Auction Period Rate; provided, however, that the interest rate borne by the Bonds which otherwise would have been converted during the Auction Period commencing on such failed Conversion Date shall be the Maximum Rate, and the Auction Period shall be the seven-day Auction Period.

(v) On the Conversion Date applicable to the Bonds to be converted, the Bonds to be converted shall be subject to mandatory tender at a purchase price equal to 100% of the principal amount thereof, plus accrued interest. The principal portion of the purchase price of the Bonds so tendered shall be payable solely from the proceeds of the remarketing of such Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Bonds on a mandatory tender date, the Bonds shall not be subject to mandatory tender.

Section 2.11. *Changes Resulting from Unscheduled Holidays.* If, in the opinion of the Auction Agent and the Broker-Dealers, there is insufficient notice of an unscheduled holiday to allow the efficient implementation of the Auction Procedures set forth herein, the Auction Agent and the Broker-Dealers may, as they deem appropriate, set a different Auction Date and adjust any Auction Periods affected by such unscheduled holiday.

### **ARTICLE III**

#### **Interest Provisions**

##### *Section 3.01. Interest on Bonds – General.*

Interest on the ARS shall be computed on the basis of actual days over 360 if the ARS are in an Auction Period of 180 days or less. If the ARS are in an Auction Period which is greater than 180 days, interest shall be computed on the basis of a 360 day year of twelve 30-day months. In the event an Interest Payment Date occurs on a day other than the first day of an Auction Period, the Auction Agent, after confirming the calculation required above, shall calculate the portion of the interest amount payable on such Interest Payment Date and the portion payable on the next succeeding Interest Payment Date. The Auction Agent shall make the calculation described above not later than the close of business on the Business Day prior to the Interest Payment Date.

### **ARTICLE IV**

#### **Auction Agent**

*Section 4.01. Auction Agent.* The Auction Agent shall be appointed by the Trustee at the written direction of the Corporation. The Auction Agent shall signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument, delivered to the Corporation, the Trustee and each Broker-Dealer

*Section 4.02. Qualifications of Auction Agent; Resignation; Removal.* The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least \$30,000,000, or (b) a member of NASD having a capitalization of at least \$30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by this Indenture and a member of or a participant in, the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by giving at least ninety (90) days notice to the Corporation and the Trustee. The Auction Agent may be removed at any time by the Corporation by 30 day written notice, delivered to the Auction Agent and the Trustee. Upon any such resignation or removal, the Trustee at the direction of the Corporation, shall appoint a successor Auction Agent meeting the requirements of this section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor.

**SCHEDULE I**  
**to**  
**AUCTION PROCEDURES**

In the event of any conflict between this Schedule I and Exhibit A, this Schedule I shall prevail.

## Definitions

**"AA Composite Commercial Paper Rate"** means, as of any date of determination, (A) the Bond Equivalent Yield of the 30-day rate on commercial paper placed on behalf of issuers whose corporate bonds are rated "AA" by S&P, or the equivalent of such rating by a nationally recognized rating agency, as such 30-day rate is made available on a discount basis or otherwise by the Federal Reserve Bank of New York for the Business Day immediately preceding such date of determination, or (B) if the Federal Reserve Bank of New York does not make available any such rate, then the arithmetic average of the Bond Equivalent Yield of the 30-day rate on commercial paper placed on behalf of such issuers, as quoted to the Auction Agent on a discount basis or otherwise, by at least three dealers of commercial paper, or such fewer entities as may then be dealers of commercial paper, as of the close of business on the Business Day immediately preceding such date of determination.

**"After-Tax Equivalent Rate"** means, on any Auction Date, the interest rate per annum equal to the product of (i) the AA Composite Commercial Paper Rate on such date and (ii) 1.00 minus the lower of the Statutory Corporate Tax Rate and the Statutory Personal Tax Rate on such date. For purposes of this definition, the term "Statutory Corporate Tax Rate" means, as of any date of determination, the highest tax rate bracket (expressed in decimals) now or hereafter applicable in each taxable year on the taxable income of every corporation as set forth in Section 11 of the Code or any successor section without regard to any minimum additional tax provision or provisions regarding changes in rates during the taxable year, which on the date hereof is .35; and "Statutory Personal Tax Rate" means, as of any date of determination, the highest tax rate bracket (expressed in decimals) now or hereafter applicable in each taxable year on the taxable income of a natural person as set forth in Section 1 of the Code or any successor section without regard to any minimum additional tax provision or provisions regarding changes in rates during a taxable year, which on the date hereof is .396.

**"All Hold Rate"** means, as of any Auction Date, 65% of the Index in effect on such Auction Date.

**"Applicable Percentage"** on any date of determination means the percentage determined based on the rating of the Bonds bearing interest at an Auction Rate in effect at the close of business on the Business Day immediately preceding such date, or, if such Bonds are then rated by more than one Rating Agency, based on the lower of such ratings on such Business Day, as set forth below:

### Credit Rating

<u>Moody's Investors Service</u>	<u>Standard &amp; Poor's/ Fitch Ratings</u>	<u>Applicable Percentage</u>
"Aaa"	"AAA"	150%
"Aa" to Aa1"	"AA-" to "AA+"	150%
"A" to "A1"	"A-" to "A+"	150%
"Baa" to "Baa1"	"BBB-" to "BBB+"	175%
Below "Baa"	Below "BBB-"	200%

as such percentages may be adjusted pursuant to Section 3.09 hereof; provided, that if such Bonds are not then rated by a Rating Agency, or if a Payment Default shall have occurred and be continuing, the Applicable Percentage shall be 200%, as such percentage may be adjusted pursuant to Section 3.09 hereof. For purposes of this definition, Standard & Poor's and Fitch Ratings' rating categories of "AAA," "AA," "A" and "BBB," and Moody's Investors Service's rating categories of "Aaa," "Aa," "A" and "Baa," refer to and include the respective rating categories correlative thereto if any such rating agency has changed, or modified their generic rating categories or if Standard & Poor's or Fitch Ratings no longer rate the Bonds or has been replaced.

**"Applicable Spread"** means, on any date of determination, the following percentages to be used in the computation of the T-Bill Cap and the CP Cap, as applicable, based on the lowest rating assigned to Bonds bearing interest at an Auction Rate as of such date:

### Credit Rating

<u>Moody's Investors Service</u>	<u>Standard &amp; Poor's/ Fitch Ratings</u>	<u>Applicable T-Bill Spread</u>	<u>Applicable CP Spread</u>
"Aaa"	"AAA"	1.25%	0.75%
"Aa"	"AA"	1.25%	0.75%
"A"	"A"	1.25%	0.75%
"Baa"	"BBB"	1.50%	1.00%
Below "Baa"	Below "BBB"	2.00%	1.50%

**"Auction Agent"** shall initially be Deutsche Bank Trust Company Americas.

**"Auction Date"** shall include as part of the definition the first Auction Date which shall be July 17, 2007 for the Bonds.

**"Auction Period"** shall include the six-month Auction Period ending either June 30 or December 31.

**"Authorizing Document"** means the Master Indenture dated as of June 1, 2002 as supplemented by the Sixth Supplemental Indenture dated as of June 1, 2007.

**"Bond Equivalent Yield"** means, with respect to any security with a maturity of six months or less the rate for which is quoted in The Wall Street Journal on a bank discount basis, the yield calculated in accordance with the following formula and rounded up to the nearest one one-hundredth of one percent:

$$\frac{R \times N}{360 - (R \times D)} \times 100$$

where "R" refers to the interest rate per annum for the security quoted on a bank discount basis expressed as a decimal, "N" refers to 365 or 366 days, as applicable, and "D" refers to the number of days to maturity.

**"Bonds"** means the Series 2007A-1 Bonds.

**"Broker-Dealer"** means the entity selected by the Corporation.

**"CP Cap"** means, for any Auction Date, the rate (for the then current Auction) at which the Quarterly Average Auction Rate equals the Quarterly Average CP Rate plus the Applicable CP Spread, such rate to be determined by the formula:

$$N \times (C + S) - R,$$

where N is the number of Auction Dates which precede the current Auction Date by 91 days or less, including the current Auction Date; C is the Quarterly Average CP Rate, S is the Applicable Spread; and R is the sum of the Auction Rates for Auction Dates preceding the current Auction Date by 91 days or less, excluding the current Auction.

**"Corporation"** means the Alaska Student Loan Corporation.

**"Index"** means on any Auction Date with respect to Bonds in any Auction Period of 35 days or less the one month London Interbank Offered Rate (LIBOR). The Index with respect to Bonds in any Auction Period of more than 35 days shall be the rate on United States Treasury Securities having a maturity which most closely approximates the length of the Auction Period as last published in The Wall Street Journal or such other source as may be mutually agreed upon by the Corporation and the Broker-Dealers. If either rate is unavailable, the Index shall be an index or rate agreed to by all Broker-Dealers and consented to by the Corporation. For the purpose of this definition an Auction Period of 35 days or less means a 35-day Auction Period or shorter Auction Period, i.e. a 35-day Auction Period which is extended because of a holiday would still be considered an Auction Period of 35 days or less.

**"Initial Auction Date"** means July 17, 2007.

**"Initial Auction Period"** means the period from the Closing Date to, but not including, July 18, 2007.

**"Interest Rate Limitation"** means the maximum rate of interest allowable by applicable law or, if less, 12%.

**"Kenny Index"** means the index most recently made available by Kenny S&P Evaluation Services ("Kenny") or any successor thereto (the "Indexing Agent") based upon 30 day yield evaluations at par of securities, the interest on which is excluded from gross income for federal income tax purposes under the Code, of not less than five "Intermediate Grade" component issuers selected by the Indexing Agent which shall include, without limitation, issuers of general obligation bonds. The specific issuers included among the component issuers may be changed from time to time by the Indexing Agent in its discretion. The securities on which the Kenny Index is based shall not include any securities the interest on which is subject to a "minimum tax" or similar tax under the Code, unless all such securities are subject to such tax. In the event that Kenny no longer publishes an index satisfying the above definition of the Kenny Index or the Auction Agent reasonably concludes that the Kenny Index will not be announced in a timely manner, then the Auction Agent shall announce a rate based upon the same criteria used by Kenny to determine the Kenny Index and the rate announced by the Auction Agent for each Auction Date thereafter shall be used in lieu of the Kenny Index for each Auction Date, and such rate announced by the Auction Agent shall for all purposes be deemed to be the "Kenny Index" hereunder.

**"Maximum Rate"** on any date means the lesser of:

(i) the Applicable Percentage of the greater of (1) the After-Tax Equivalent Rate on such date or (2) the Kenny Index on such date (in either case rounded to the nearest 1/1000 of 1%); or

(ii) for Auctions after the Initial Auction Date, the T-Bill Cap; or

(iii) for Auctions after the Initial Auction Date, the CP Cap; or

(iv) the Interest Rate Limitation; rounded to the nearest one thousandth of 1% (.001).

**"90 Day Financial Commercial Paper"** means the 90 Day AA Financial Commercial Paper rate posted on the Federal Reserve Release entitled "Commercial Paper Rates and Outstandings", which rate may be available on the internet at <http://www.federalreserve.gov/releases/cp/>.

**"Payment Default"** means (i) a default by the Corporation in the due and punctual payment of any installment of interest of any Bonds or (ii) a default by the Corporation in the due and punctual payment of the principal of any Bonds whether at maturity or upon redemption or acceleration.

**"Person" or "persons"** means any natural person, firm, partnership, association, corporation, company, government, public body or other entity.

**"Quarterly Average Auction Rate"** means the simple average of the Auction Rates for Auction Dates preceding the current Auction Date by 91 days or less, including the current Auction Date.

**"Quarterly Average CP Rate"** means the simple average of the Bond Equivalent Yield of 90 Day Financial Commercial Paper rates for the 91 days preceding (but not including) the current Auction Date.

**"Quarterly Average T-Bill Rate"** means the simple average of the Bond Equivalent Yield of 91-day Treasury Bills auctioned in the 91 days preceding (but not including) the current Auction Date.

**"Statutory Corporate Tax Rate"** has the meaning set forth in the definition of "After-Tax Equivalent Rate" herein.

**"Statutory Personal Tax Rate"** has the meaning set forth in the definition of "After-Tax Equivalent Rate" herein.

**"T-Bill Cap"** means, for any Auction Date, the rate (for the then current Auction Date) at which the Quarterly Average Auction Rate equals the Quarterly Average T-Bill Rate plus the Applicable Spread, such rate to be determined by the formula:

$$N \times (T + S) - R,$$

where N is the number of Auction Dates which precede the current Auction Date by 91 days or less, including the current Auction Date; T is the Quarterly Average T-Bill Rate; S is the Applicable Spread; and R is the sum of the Auction Rates for Auction Dates preceding the current Auction Date by 91 days or less, excluding the current Auction.

**EXHIBIT B**

**FORM OF AUCTION RATE SECURITIES**

**2007 BONDS**

**ALASKA STUDENT LOAN CORPORATION**

**EDUCATION LOAN REVENUE BOND**

**SENIOR SERIES 2007A-1**

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

MATURITY DATE  
\_\_\_\_\_, 20\_\_\_\_

DATED DATE  
\_\_\_\_\_, 2007

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Alaska Student Loan Corporation (hereinafter called the "Corporation"), a public corporation and government instrumentality of the State of Alaska (herein called the "State") created and existing under and by virtue of the laws of the State, acknowledges itself indebted and for value received, hereby promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption in whole or in part and payment of the redemption price shall have been made or duly provided for, upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, Seattle Washington, as paying agent (the "Paying Agent"), the principal amount specified above and to pay interest hereon, from the Interest Payment Date (as defined in the within mentioned Supplemental Indenture) next preceding the date of authentication hereof, unless such date of authentication is prior to the first Interest Payment Date, in which case this Bond shall bear interest from the Dated Date specified above or unless such date of authentication is an Interest Payment Date, in which case this Bond shall bear interest from such Interest Payment Date; provided, however, that if as shown by the records of the Trustee (defined herein) interest on the 2007A-1 Bonds (defined herein) shall be in default, 2007A-1 Bonds issued in lieu of such 2007A-1 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the 2007A-1 Bonds surrendered until payment of the principal hereof has been made or duly provided for. Interest on this Bond shall be paid to the person in whose name this Bond is registered on the

registration books kept by the Trustee on the Record Date specified in the Indenture, by check or draft mailed on the Interest Payment Date to such person, or in certain cases by wire transfer to such person's bank account, as described in the Indenture. The principal of and premium, if any, and interest on the 2007A-1 Bonds shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

This Bond is one of an authorized issue of bonds of the Corporation designated as its "Education Loan Revenue Bonds, Senior Series 2007A-1" limited in aggregate principal amount to \$\_\_\_\_\_ (the "2007A-1 Bonds") issued pursuant to a resolution duly adopted by the Board of Directors of the Corporation on April 17, 2007, and under and in full compliance with the Constitution and laws of the State of Alaska, in particular, Sections 100-990 of Chapter 42 of Title 14 of the Alaska Statutes, as amended (the "Act") for the purpose of obtaining funds to finance the acquisition of loans for higher education. The Corporation's Education Loan Revenue Bonds Senior Series 2007A-2 and the Corporation's Education Loan Revenue Bonds Senior Series 2007A-3 (the "2007A-2 Bonds" and the "2007A-3 Bonds," collectively with the 2007A-1 Bonds, the "2007 Bonds"), are being issued simultaneously with the 2007A-1 Bonds. The 2007A-1 Bonds are being issued under and are secured by and entitled to the protection of a Master Indenture (the "Master Indenture") dated as of June 1, 2002, as supplemented by the Sixth Supplemental Indenture dated as of June 1, 2007, (the "Sixth Supplemental Indenture" and, together with the Master Indenture, the "Indenture") between the Corporation and U.S. Bank National Association, Seattle, Washington, as trustee (the "Trustee"). The Bonds of each Series issued under the Indenture are assigned a payment priority by Class designation, with Class I being the highest priority and successively lower Classes being designated by higher Roman numerals. The 2007A-1 Bonds have been designated as Class I as more fully set forth in the Indenture.

This Bond shall initially bear interest at the rate of interest per annum established by the Broker-Dealer for the Initial Auction Period pursuant to the Broker-Dealer Agreement, written notice of which shall be given to the Trustee. For each Auction Period thereafter, the unpaid principal amount hereof from time to time outstanding shall bear interest at the Auction Rate determined in accordance with the provisions of Exhibit "A" of the Sixth Supplemental Indenture, payable on each Interest Payment Date and on the date of payment or redemption of principal hereof to the extent of interest accrued on the principal then being paid or redeemed, such interest to accrue from the later of the date hereof or the date through which interest has been paid or duly provided for. Interest at the Auction Rate established from time to time pursuant to Exhibit "A" of the Sixth Supplemental Indenture shall be computed on the basis of the actual number of days elapsed over 360 if the Bonds are in an Auction Period of 180 days or less. If the Bonds are in an Auction Period which is greater than 180 days, interest shall be computed on the basis of a 360 day year of twelve 30-day months.

This Bond shall bear interest at an Auction Rate based on an Auction Period that shall, until adjusted pursuant to Exhibit "A" of the Sixth Supplemental Indenture, generally consist of 35 days, all as determined in Exhibit "A" of the Sixth Supplemental Indenture.

In no event shall the Auction Rate on this Bond exceed 12% per annum.

The Auction Period, the Auction Rate, the Maximum Rate, the method of determining the Auction Rate and the Maximum Rate on this Bond and the Auction Procedures related thereto, a change in the Auction Date and the Interest Payment Dates will be determined in accordance with the terms, conditions and provisions of, including, without limitation, required notices thereof to the Existing Owners of the 2007A-1 Bonds, the Indenture and the Auction Agency Agreement, to which terms, conditions and provisions specific reference is hereby made, and all of which terms, conditions and provisions are hereby specifically incorporated herein by reference.

This Bond is a special, limited obligation of the Corporation and is payable solely from assets and revenues specifically pledged thereto pursuant to the terms of the Indenture.

The Corporation has previously issued, and there remain outstanding, bonds under the Indenture which are entitled to share in the Trust Estate equally with the 2007A-1 Bonds. Under certain circumstances the Corporation may issue Additional Bonds under the Indenture, which may be entitled to share in the Trust Estate prior to, equally and ratably with, or subordinate to the 2007A-1 Bonds.

The Bonds do not constitute a debt, liability, or other obligation of the State or of any political subdivision of the State other than the Corporation. Neither the faith and credit nor the taxing power of the State or of any political subdivision thereof other than the Corporation is pledged to the payment of the principal of or interest on the Bonds. The Corporation has no taxing power.

Reference is made to the Indenture for a complete statement of the terms and conditions upon which the 2007A-1 Bonds of this issue have been issued and provisions made for their security and for the issuance of Additional Bonds; for a description of the rights of the owners of the 2007A-1 Bonds; the rights and obligations of the Corporation; the rights, duties and obligations of the Trustee and the Paying Agent; and the provisions relating to amendments and modifications thereof. The acceptance of the terms and conditions of such documents, copies of which are on file at the principal corporate trust office of the Trustee, is an explicit and material part of the consideration of the Corporation's issuance hereof, and each owner hereof by acceptance of this Bond accepts and assents to all such terms and conditions as if fully set forth herein.

Capitalized terms used in this Bond which are not defined herein but which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

The 2007A-1 Bonds bearing interest at an Auction Rate are subject to redemption on the dates, at the redemption prices, in the amounts and upon notice all as set forth in the Indenture.

If an Event of Default (as defined in the Indenture) shall occur, the principal of all the Bonds may be, and under certain circumstances shall be, declared due and payable in the manner and with the effect provided in the Indenture.

The 2007A-1 Bonds bearing interest at an Auction Rate are issuable as registered bonds in the denomination of \$25,000 or any integral multiple thereof. Subject to the limitations provided in the Indenture and upon payment of any tax or governmental charge, 2007A-1 Bonds may be exchanged for a like aggregate principal amount of 2007A-1 Bonds of other authorized denominations.

This Bond shall be subject to mandatory tender to the Trustee, as appropriate, for purchase pursuant to Exhibit A and Exhibit E to the Sixth Supplemental Indenture prior to maturity on the Variable Rate Conversion Date applicable to this Bond (the "Mandatory Tender Date") at a purchase price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to such Mandatory Tender Date, as applicable.

If on such Mandatory Tender Date for which there has been irrevocably deposited with the Trustee amounts sufficient to pay the purchase price of this Bond, this Bond shall be deemed to have been tendered in accordance with the provisions of Exhibit A and Exhibit E of the Sixth Supplemental Indenture. The Registered Owner of this Bond, whether or not delivered to the Trustee shall not be entitled to any payment (including any interest to accrue on and subsequent to the Mandatory Tender Date) other than the purchase price for this Bond, and this Bond shall no longer be entitled to the benefits of the Indenture, except for the purpose of payment of the purchase price therefor.

This Bond is transferable by the registered owner hereof or his duly authorized attorney on the registration books of the Corporation kept at the principal office of the bond registrar, upon surrender of this Bond accompanied by a duly executed instrument of transfer in form and with guaranty of signature satisfactory to the Registrar, subject to such reasonable regulations as the Corporation, the Trustee, the Registrar or the Paying Agent may prescribe, and upon payment of any tax or other governmental charge incident to such transfer. Upon any such transfer a new Bond or Bonds of authorized denomination or denominations of the same Series, level of priority, aggregate principal amount, interest rate and maturity will be issued to the transferee in exchange therefor, all upon payment of the charges and subject to the terms and conditions set forth in the Indenture. The Corporation and any fiduciary may

deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond shall be overdue, for the purpose of receiving payment and for all other purposes, and neither the Corporation nor any fiduciary shall be affected by any notice to the contrary.

No recourse, either directly or indirectly, shall be had for the payment of principal or redemption price of, or interest on, this Bond, or for any claim based hereon or on the Indenture, against any member, officer or employee, past, present or future, of the Corporation or of any successor body, as such, either directly or through the Corporation or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, but the obligation to pay all amounts required by the Indenture securing this Bond and the obligation to do and perform the covenants and acts required of the Corporation therein and herein shall be and remain the responsibility and obligation of said Corporation, limited as herein set forth.

Neither the members of the Corporation nor any person executing this Bond shall be liable personally hereon or shall be subject to any personal liability or accountability by reason of its execution.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been executed by an Authenticating Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to be done, to exist, to happen and to be performed in order to make this Bond a valid and binding obligation of the Corporation according to its terms, have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

IN WITNESS WHEREOF, the Corporation has caused this Bond to be executed with the manual or facsimile signature of its Executive Officer and its seal or a facsimile thereof to be hereto affixed, and to be signed and attested with the manual or facsimile signature of an Authorized Officer.

ALASKA STUDENT LOAN CORPORATION

[SEAL]

By \_\_\_\_\_  
Executive Officer

ATTEST:

\_\_\_\_\_  
Authorized Officer

## TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Sixth Supplemental Indenture and is one of the Education Loan Revenue Bonds, Senior Series 2007A-1, of the Alaska Student Loan Corporation.

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

\_\_\_\_\_

## ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned  
sells, assigns and transfers unto \_\_\_\_\_ (Tax Identification or  
Social Security No. \_\_\_\_\_) the within Bond and all rights thereunder, and  
hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney for  
registration thereof, with full power of substitution in the premises.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

NOTICE: The signature to this  
assignment must correspond with the  
name of the Registered Owner as it  
appears upon the face of the within  
Bond in every particular, without  
alteration or enlargement or any  
change whatever.

Signature Guaranteed:

\_\_\_\_\_  
The signature(s) should be guaranteed  
by an eligible guarantor institution  
(banks, stockbrokers, savings and loan  
associations and credit unions with  
membership in an approved signature  
guarantee medallion program), pursuant  
to S.E.C. Rule 17Ad-15.

**EXHIBIT C**

FORM OF SERIES 2007A-1 NON-AUCTION RATE SECURITIES

ALASKA STUDENT LOAN CORPORATION

EDUCATION LOAN REVENUE BOND

SENIOR SERIES 2007A-1

No. \_\_\_\_\_ \$ \_\_\_\_\_

<u>INTEREST</u> <u>RATE MODE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
Non-Auction			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Alaska Student Loan Corporation (hereinafter called the "Corporation"), a public corporation and government instrumentality of the State of Alaska (herein called the "State") created and existing under and by virtue of the laws of the State, acknowledges itself indebted and for value received, hereby promises to pay to the registered owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption in whole or in part and payment of the redemption price shall have been made or duly provided for, upon presentation and surrender hereof at the principal corporate trust office of U.S. Bank National Association, Seattle, Washington, as paying agent (the "Paying Agent"), the principal amount specified above and to pay upon the Non-Auction Rate Conversion Date interest hereon at a Non-Auction Rate for an Interest Period to be established by the Corporation pursuant to Exhibit "E" of the Sixth Supplemental Indenture. Thereafter, this Bond may be converted to bear interest at another Non-Auction Rate pursuant to Exhibit E of the Sixth Supplemental Indenture; provided, however, that if as shown by the records of the Trustee (defined herein) interest on the 2007A-1 Bonds (defined herein) shall be in default, 2007A-1 Bonds issued in lieu of such 2007A-1 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the 2007A-1 Bonds surrendered until payment of the principal hereof has been made or duly provided for. Interest on this Bond shall be paid to the person in whose name this Bond is registered on the registration books kept by the Trustee on the Record Date specified in the Indenture, by check or draft mailed on the Interest Payment Date to such person, or in certain cases by wire transfer to such

person's bank account, as described in the Indenture; provided that, if this Bond is not a Book-Entry Bond and bears interest at a Flexible Rate, interest on this Bond shall only be paid upon presentation of this Bond to the Tender Agent. The principal of and premium, if any, and interest on the 2007A-1 Bonds shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

This Bond is one of an authorized issue of bonds of the Corporation designated as its "Education Loan Revenue Bonds, Senior Series 2007A-1" limited in aggregate principal amount to \$\_\_\_\_\_ (the "2007A-1 Bonds") issued pursuant to a resolution duly adopted by the Board of Directors of the Corporation on April 17, 2007 and under and in full compliance with the Constitution and laws of the State of Alaska, in particular, Sections 100-990 of Chapter 42 of Title 14 of the Alaska Statutes, as amended (the "Act") for the purpose of obtaining funds to finance the acquisition of loans for higher education. The Corporation's Education Loan Revenue Bonds, Senior Series 2007A-2 (the "2007A-2 Bonds") and the Corporation's Education Loan Revenue Bonds, Senior 2007A-3 (the "2007A-3 Bonds," collectively with the 2007A-1 Bonds and the 2007A-2 Bonds, the "2007 Bonds"), are being issued simultaneously with the 2007A-1 Bonds. The 2007 Bonds are being issued under and are secured by and entitled to the protection of a Master Indenture (the "Master Indenture") dated as of June 1, 2002, as supplemented by the Sixth Supplemental Indenture dated as of June 1, 2007, (the "Sixth Supplemental Indenture" and, together with the Master Indenture, the "Indenture") between the Corporation and U.S. Bank National Association, Seattle, Washington, as trustee (the "Trustee"). The Bonds of each Series issued under the Master Indenture are assigned a payment priority by Class designation, with Class I being the highest priority and successively lower Classes being designated by higher Roman numerals. The 2007A-1 Bonds have been designated as Class I as more fully set forth in the Indenture.

This Bond shall bear interest at a Non-Auction Rate as defined by the Remarketing Agent and announced to the Trustee and the Corporation and such Non-Auction Rate shall be the rate of interest borne by such 2007A-1 Bonds for the Calculation Period for such Interest Period. The Non-Auction Rate to be borne by the 2007A-1 Bonds for any Interest Period related to such 2007A-1 Bonds shall, subject to the other provisions of this subsection, be the rate determined by the Remarketing Agent, in its discretion, to be that rate which, if borne by the 2007A-1 Bonds would, in its judgment, having due regard to the prevailing financial market conditions, be the interest rate necessary, but which would not exceed the interest rate necessary, to enable the Remarketing Agent to sell such 2007A-1 Bonds at par (disregarding accrued interest) if tendered for payment pursuant to Exhibit E to the Sixth Supplemental Indenture (whether or not so tendered); provided that if the Remarketing Agent shall fail or refuse to determine a Non-Auction Rate on any Rate Determination Date, the Non-Auction Rate shall be equal to 110% of the SIFMA Index if such Rate Period is less than 365 calendar days or, if such Rate Period is greater than 365 days the Non-Auction Rate shall be equal to 85% of a United States Treasury Bill with a maturity

equal to such Rate Period; and provided further that no Non-Auction Rate shall exceed the Interest Rate Limitation.

While 2007A-1 Bonds bear interest at a Non-Auction Rate, from time to time, the Corporation may designate different Interest Periods to be applicable to such 2007A-1 Bonds and to be effective on any Conversion Date established for such 2007A-1 Bonds, all as provided in the Indenture.

This Bond is a special, limited obligation of the Corporation and is payable solely from assets and revenues specifically pledged thereto pursuant to the terms of the Indenture. The Corporation has previously issued, and there remain outstanding, bonds under the Master Indenture which are entitled to share in the Trust Estate equally with the 2007A-1 Bonds. Under certain circumstances Additional Bonds may be issued under the Indenture, which may be entitled to share in the Trust Estate prior to, equally and ratably with, or subordinate to, the 2007A-1 Bonds.

The Bonds do not constitute a debt, liability, or other obligation of the State or of any political subdivision of the State other than the Corporation. Neither the faith and credit nor the taxing power of the State or of any political subdivision thereof other than the Corporation is pledged to the payment of the principal of or interest on the Bonds. The Corporation has no taxing power.

Reference is made to the Indenture for a complete statement of the terms and conditions upon which the 2007A-1 Bonds of this issue have been issued and provisions made for their security and for the issuance of Additional Bonds; for a description of the rights of the owners of the 2007A-1 Bonds; the rights and obligations of the Corporation; the rights, duties and obligations of the Trustee and the Paying Agent; and the provisions relating to amendments and modifications thereof. The acceptance of the terms and conditions of such documents, copies of which are on file at the principal corporate trust office of the Trustee, is an explicit and material part of the consideration of the Corporation's issuance hereof, and each owner hereof by acceptance of this Bond accepts and assents to all such terms and conditions as if fully set forth herein.

Capitalized terms used in this Bond which are not defined herein but which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

The 2007A-1 Bonds bearing interest at a Non-Auction Rate are subject to redemption on the dates, in the amounts, at the prices and with notice all as described in the Indenture.

The 2007A-1 Bonds are subject to mandatory redemption as provided in the Indenture.

If an Event of Default (as defined in the Indenture) shall occur, the principal of all the Bonds may be, and under certain circumstances shall be, declared due and payable in the manner and with the effect provided in the Indenture.

The 2007A-1 Bonds bearing interest at a Non-Auction Rate are issuable as registered Bonds in the denomination of \$100,000 and \$5,000 increments in excess thereof, or any integral multiple thereof. Subject to the limitations provided in the Indenture and upon payment of any tax or governmental charge, 2007A-1 Bonds may be exchanged for a like aggregate principal amount of 2007A-1 Bonds of other authorized denominations.

So long as this Bond is registered to and held by or for the Credit Enhancement Agency as the result of a purchase pursuant to the Indenture, it shall bear interest at the rate, and computed and payable in the manner, specified in the Credit Enhancement agreement, as defined in the Indenture.

This Bond may bear interest at a Daily Rate, a Weekly Rate, a Monthly Rate, a Flexible Rate, a Term Rate or a Fixed Rate. This Bond shall initially bear interest at a \_\_\_\_\_ Rate. While the 2007A-1 Bonds bear interest at a Non-Auction Rate, pursuant to the procedures and subject to certain conditions set forth in the Indenture, the rate of interest borne by the 2007A-1 Bonds may be changed to another of the rates listed above or to an Auction Rate as provided in the Indenture.

The Interest Payment Dates with respect to the 2007A-1 Bonds shall be each June 1 and December 1 following the Non-Auction Rate Conversion Date; provided that, for purposes of payment of interest on the Bonds, if any such date is not a Business Day, such payment shall be made on the next day which is a Business Day with the same effect as if made on such date. During all Variable Rate Periods, interest on the 2007A-1 Bonds shall be computed on the basis of 365- or 366-day year for the number of days actually elapsed. Interest on any 2007A-1 Bonds bearing a Flexible Rate (except any 2007A-1 Bond which is a book-entry bond) shall be paid upon presentation to the Tender Agent of such Bond when payment is due.

This Bond shall be subject to optional and mandatory tender to the Trustee, as appropriate, for purchase pursuant to Exhibit E to the Sixth Supplemental Indenture.

So long as the ownership of this Bond is maintained in book-entry form by the Depository, a beneficial owner may sell, transfer or otherwise dispose of its beneficial interest in this Bond only pursuant to the procedures of DTC.

No recourse, either directly or indirectly, shall be had for the payment of principal or redemption price of, or interest on, this Bond, or for any claim based hereon or on the Indenture, against any member, officer or employee, past, present or future, of the Corporation or of any successor body, as such, either directly or through the Corporation or any such successor body, under any constitutional provision, statute or

rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, but the obligation to pay all amounts required by the Indenture securing this Bond and the obligation to do and perform the covenants and acts required of the Corporation therein and herein shall be and remain the responsibility and obligation of said Corporation, limited as herein set forth.

Neither the members of the Corporation nor any person executing this Bond shall be liable personally hereon or shall be subject to any personal liability or accountability by reason of its execution.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been executed by an Authenticating Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to be done, to exist, to happen and to be performed in order to make this Bond a valid and binding obligation of the Corporation according to its terms, have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

IN WITNESS WHEREOF, the Corporation has caused this Bond to be executed with the manual or facsimile signature of its Executive Officer and its seal or a facsimile thereof to be hereto affixed, and to be signed and attested with the manual or facsimile signature of an Authorized Officer.

ALASKA STUDENT LOAN CORPORATION

[SEAL]

By \_\_\_\_\_  
Executive Officer

ATTEST:

\_\_\_\_\_  
Authorized Officer

## TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Sixth Supplemental Indenture and is one of the Education Loan Revenue Bonds, Senior Series 2007A-1, of the Alaska Student Loan Corporation.

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

\_\_\_\_\_

## ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned sells, assigns and transfers unto \_\_\_\_\_ (Tax Identification or Social Security No. \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney for registration thereof, with full power of substitution in the premises.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**NOTICE:** The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

**EXHIBIT D**

**FORM OF FIXED RATE BOND**

**ALASKA STUDENT LOAN CORPORATION**

**EDUCATION LOAN REVENUE BOND**

**SENIOR SERIES [2007A-2/2007A-3]**

Maturity Date: \_\_\_\_\_ 1, 20\_\_

Interest Rate: \_\_\_\_\_%

Principal Amount: \$ \_\_\_\_\_

No. R- \_\_\_\_\_

CUSIP No.: \_\_\_\_\_

Alaska Student Loan Corporation (hereinafter called the "Corporation"), a public corporation and government instrumentality of the State of Alaska (herein called the "State") created and existing under and by virtue of the laws of the State, acknowledges itself indebted, and for value received hereby promises to pay to CEDE & Co., or registered assigns, the principal amount specified above on the maturity date specified above, upon the presentation and surrender hereof, and to pay interest on said principal sum to the registered owner of this Bond from the date hereof, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the Corporation's obligation with respect to the payment of said principal sum shall be discharged, at the rate per annum specified above, payable \_\_\_\_\_ 1, 2007, and semi-annually thereafter on the first day of \_\_\_\_\_ and on the first day of \_\_\_\_\_ (the "Interest Payment Dates"). The principal of this Bond is payable when due upon presentation and surrender hereof at the corporate trust office of U.S. Bank National Association, Seattle, Washington, as Trustee, or as otherwise directed by the Trustee. Interest on this Bond shall be paid by mailing a check on the Interest Payment Date for such interest payable to or upon the written order of the person entitled thereto (such person being the holder of record on the Record Date, as defined below, applicable to such Interest Payment Date) at such person's address as it appears on the bond register of the Corporation; provided, however, that the registered owner of this Bond may request

payment of interest at the corporate trust office of U.S. Bank National Association, Seattle, Washington, on any Interest Payment Date if such registered owner notifies the Trustee in writing not later than 30 days before such Interest Payment Date of such registered owner's election to so receive such payment of interest; and provided, further, that the registered owner of \$1,000,000 or more in principal amount of the Bonds shall be paid interest by wire transfer to an account in the United States if such registered owner makes a written request to the Trustee at least 30 days before the Interest Payment Date on which such wire transfer payments are to begin, specifying the account address; provided, however, that while this Bond is held in a Book Entry System, principal of and interest on this Bond shall be paid as provided in the hereinafter described Indenture. Interest on this Bond will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made in lawful money of the United States of America.

This Bond is one of the Bonds of the Corporation designated "Alaska Student Loan Corporation, Education Loan Revenue Bonds, Senior Series [2007A-2/2007A-3]" (herein called the "[2007A-2/2007A-3] Bonds" or the "Bonds"), authorized to be issued under and pursuant to Sections 100 -- 990 of Chapter 42 of Title 14 of the Alaska Statutes, as amended (herein called the "Act"), for the purpose of obtaining funds to refund outstanding debt of the Corporation and to finance the acquisition of loans for higher education. The Corporation's Education Loan Revenue Bonds Senior Series 2007A-1 and the Corporation's Education Loan Revenue Bonds Senior Series [2007A-2/2007A-3] (the "2007A-1 Bonds," together with the [2007A-2/2007A-3] Bonds, the "2007 Bonds"), are being issued simultaneously with the [2007A-2/2007A-3] Bonds. The 2007 Bonds are being issued under and are secured by and entitled to the protection of a Master Indenture (the "Master Indenture") dated as of June 1, 2002, as supplemented by the Sixth Supplemental Indenture dated as of June 1, 2007, (the "Sixth Supplemental Indenture" and, together with the Master Indenture, the "Indenture") between the Corporation and U.S. Bank National Association, Seattle, Washington, as trustee (the "Trustee"). The Bonds of each Series issued under the Indenture are assigned a payment priority by Class designation, with Class I being the highest priority and successively lower Classes being designated by higher Roman numerals. The [2007A-2/2007A-3] Bonds have been designated as Class I as more fully set forth in the Indenture. Unless otherwise defined herein, capitalized words used herein shall have the meaning assigned to them in the Indenture.

The Record Date in respect of any Interest Payment Date on this Bond shall be the fifteenth day of the month preceding each Interest Payment Date.

The Bonds are issued in the aggregate principal amount of \$\_\_\_\_\_ under the Indenture in denominations of \$5,000 and any integral multiple thereof, in fully registered form only. Copies of the Master Indenture and Sixth Supplemental Indenture are on file at the office of the Corporation in Juneau, Alaska, and at the corporate trust office of the Trustee, and reference to the Master Indenture and the Sixth Supplemental Indenture and any and all supplements, modifications, and amendments to either of

them and to the Act is made for a description of the pledges and covenants securing the Bonds, the nature, extent, and manner of enforcement of such pledges, the rights and remedies of the registered owners of the Bonds with respect thereto, and the terms and conditions upon which the Bonds have been issued and may be issued thereunder. To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture or any indenture amendatory thereof or supplemental thereto (including the Sixth Supplemental Indenture) may be modified or amended by the Corporation. The holder of this Bond shall have no right to enforce the provisions of the Master Indenture or the Sixth Supplemental Indenture, to institute action to enforce the provisions of the Master Indenture or the Sixth Supplemental Indenture, or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Master Indenture and the Sixth Supplemental Indenture. In certain events, on the conditions, in the manner, and with the effect set forth in the Master Indenture and the Sixth Supplemental Indenture, all or part of the principal of the Bonds, with accrued interest thereon, may become or may be declared due and payable before the maturity thereof.

The Bonds are not transferable when held in the Book Entry System except out of the Book Entry System under the conditions described in the Sixth Supplemental Indenture. This Bond is transferable, as provided in the Indenture, only upon the bond register of the Corporation kept by the Trustee, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Indenture and upon the payment of charges, if any, as therein prescribed. The Corporation and the Trustee may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

This Bond is a special, limited obligation of the Corporation and is payable solely from assets and revenues specifically pledged thereto pursuant to the terms of the Indenture.

The Bonds maturing on or prior to \_\_\_\_\_ 1, 20\_\_ are not subject to redemption prior to maturity. The Bonds maturing after \_\_\_\_\_ 1, 20\_\_ are subject to optional redemption by the Corporation on or after \_\_\_\_\_ 1, 20\_\_, in whole or in part, on any date in amounts of \$5,000, with maturities selected by the Corporation, at a price of 100% of the principal amount redeemed plus accrued interest to the date of such redemption.

Notice of such redemption will be in the manner set forth in the Sixth Supplemental Indenture.

The Bonds do not constitute a debt, liability, or other obligation of the State or of any political subdivision of the State other than the Corporation. Neither the faith and credit nor the taxing power of the State or of any political subdivision thereof other than the Corporation is pledged to the payment of the principal of or interest on the Bonds. The Corporation has no taxing power.

Neither the members of the Corporation nor any person executing this Bond shall be liable personally hereon or shall be subject to any personal liability or accountability by reason of its execution.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Master Indenture or the Sixth Supplemental Indenture until the Certificate of Authentication hereon shall have been signed by or on behalf of the Trustee.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all acts, conditions, and things required by the Constitution and statutes of the State and the Master Indenture and the Sixth Supplemental Indenture to exist, to have happened, and to have been performed precedent to and in the issuance of this Bond exist, have happened, and have been performed in due time, form, and manner as required by law and that the issue of the Bonds, together with all other indebtedness of the Corporation, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the Alaska Student Loan Corporation has caused this Bond to be executed in its name by the manual signature of its Chair or Executive Officer, attested by the manual signature of an Authorized Officer, and its corporate seal to be affixed, imprinted, engraved, or otherwise reproduced hereon.

ALASKA STUDENT LOAN CORPORATION

[SEAL]

By \_\_\_\_\_  
Executive Officer

ATTEST:

\_\_\_\_\_  
Authorized Officer

## TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Sixth Supplemental Indenture and is one of the Education Loan Revenue Bonds, Senior Series [2007A-2/2007A-3], of the Alaska Student Loan Corporation.

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

\_\_\_\_\_

## **EXHIBIT E**

### **NON-AUCTION RATE PROVISIONS**

Relating to

Alaska Student Loan Corporation  
Education Loan Revenue Bonds  
Senior Series 2007A-1 (the "Bonds")

This Exhibit E shall for all purposes be deemed to be a part of the Supplemental Indenture to which it is attached.

### **ARTICLE I DEFINITIONS**

Section 1.01. Application of Exhibit E; Definitions. (a) The provisions of this Exhibit E apply to the Bonds at all times that the Bonds bear interest at a Non-Auction Rate. The provisions of this Exhibit E, except as may otherwise be expressly provided herein, shall be deemed to apply separately and independently to each Series and Subseries, if any, of the Bonds.

(b) Capitalized terms used in this Exhibit E and not otherwise defined herein shall have the meanings ascribed thereto in the Indenture dated as of June 1, 2002, between the Alaska Student Loan Corporation and Zion National Bank, as predecessor Trustee (as amended and supplemented from time to time, the "Indenture"). All terms not defined herein shall have the meaning as set forth in the Exhibit A of this document. In addition, the following terms, except where the context indicates otherwise, shall have the respective meanings set forth below:

"Adjustable Rate" means any Daily Rate, Flexible Rate, Monthly Rate or Weekly Rate, or any Term Rate for a Term Rate Period ending before the Stated Maturity Date of the Bonds bearing interest at such rate.

"Adjustable Rate Period" means a Rate Period for Bonds bearing interest at an Adjustable Rate.

"Bond" means any of the Corporation's Education Loan Revenue Bonds Senior Series 2007A-1 issued pursuant to the Supplemental Indenture.

"Calculation Period" means any daily, weekly, monthly, flexible, term or other period for which an Adjustable Rate or a Fixed Rate is determined while the Bonds bear interest at such Adjustable Rate or Fixed Rate.

"Conversion" means any conversion of any Bonds (from time to time in accordance with the terms hereof) from one Rate Period to another Rate Period.

"Conversion Date" means the date Bonds are converted from one Rate Period to another Rate Period.

"Credit Enhancement Expiration Date" means (i) the second Business Day next preceding the day on which any Credit Enhancement shall terminate by its terms (including the predetermined expiration date or as a result of an event of default), as such date may be extended pursuant to a renewal of such Credit Enhancement, or (ii) the second Business Day before the delivery of any substitute Credit Enhancement which is not accompanied by a Rating Confirmation. Credit Enhancement Expiration Date shall not include circumstances where the Credit Enhancement provider may suspend or terminate its obligation to purchase Non-Auction Rate Bonds immediately.

"Daily Rate" means the variable interest rate on any Bond established pursuant to Section 2.03(i)(A) hereof.

"Daily Rate Period" means each period during which Daily Rates are in effect.

"Determination Date" means, for any Calculation Period, the date for determination of the applicable Adjustable Rate as set forth in Section 2.03(i)(A), (ii)(A), (iii)(A), (iv)(A) or (v)(A) herein.

"Fixed Rate" means a Term Rate for a period ending on the Stated Maturity Date of the Bonds bearing interest at such rate.

"Flexible Rate" means the rate of interest borne by any Bond and established pursuant to Section 2.03(v)(A) hereof.

"Flexible Rate Period" means each period comprised of Flexible Segments during which Flexible Rates are in effect.

"Flexible Segment" means a period established as described in Section 2.03(v)(A) hereof.

"Interest Period" means any Auction Period or a Calculation Period.

"Interest Rate Limitation" means the maximum rate of interest allowable by law or, if less, the rate of interest specified in any Credit Enhancement or related

documentation which is used to determine the amount available under such Credit Enhancement for payment of interest due and payable to holders of the Bonds.

"Long-Term Rate" means any interest rate applicable to the Bonds during a Long-Term Rate Period.

"Long-Term Rate Period" means each period during which a single rate of interest on any Bond is in effect for more than one year.

"Monthly Rate" means the variable interest rate on the Bonds established pursuant to Section 2.03(iii)(A) hereof.

"Monthly Rate Period" means each period during which Monthly Rates are in effect.

"Notice of Election to Tender" means the notice given by an Owner pursuant to Section 5.03 hereof in the form of Appendix 2 hereto.

"Purchase Date" means any date on which any Bond is required to be purchased as provided in Section 5.03 or 5.04 hereof.

"Rate Period" means any Auction Rate Period, Daily Rate Period, Flexible Rate Period, Monthly Rate Period, Term Rate Period or Weekly Rate Period.

"Record Date" means, notwithstanding any use in the Authorizing Document, while the Bonds bear interest at a Non-Auction Rate, the 15th day preceding an Interest Payment Date.

"Remarketing Agent" means any person designated as such pursuant to Section 7.04 hereof, and its successors or assigns.

"Remarketing Agreement" means any remarketing agreement between the Corporation and a Remarketing Agent, as from time to time amended and supplemented.

"SIFMA Municipal Index" means the Securities Industry and Financial Markets Association Municipal Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, Tax-Exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by The Bond Market Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "SIFMA Municipal Index" shall mean such other reasonably comparable index selected by the Corporation with the advice of the Remarketing Agent, if any.

"Stated Maturity Date" means the stated maturity date of any Bonds.

"Supplemental Indenture" means the Supplemental Indenture to which this Exhibit E is attached.

"Tax-Exempt" means, with respect to interest on any obligations of a state or local government, including the Bonds, that such interest is excluded from the gross income of the holders thereof (other than any holder who is a "substantial user" of facilities financed with such obligations or a "related person" within the meaning of Section 147(a) of the Code) for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

"Tender Agent" means any person designated as such pursuant to Section 7.05 hereof, and its successors or assigns.

"Term Rate" means the interest rate on any Bond established pursuant to Section 2.03(iv)(A) hereof.

"Term Rate Period" means each period during which a particular Term Rate is in effect.

"Variable Rate" means a single rate of interest on any Bond which remains in effect for one year or less.

"Variable Rate Period" means each period during which a Variable Rate is in effect.

"Weekly Rate" means the variable interest rate on the Bonds established pursuant to 2.03(ii)(A) hereof.

"Weekly Rate Period" means each period during which Weekly Rates are in effect.

(c) The words "hereof," "herein," "hereto," "herewith," "hereby" and "hereunder" refer to this Exhibit E.

## ARTICLE II INTEREST PROVISIONS

### Section 2.01. Interest on Bonds -- General.

(a) During all Variable Rate Periods, except Term Rate Periods, interest on the Bonds shall be computed on the basis of a 365- or 366-day year for the number of days actually elapsed. Interest on any Bond having a Term Rate shall be computed on the basis of a 360 day year consisting of twelve 30-day months. Interest on any Bond bearing a Flexible Rate (except any such Bond which is a Book-Entry Bond) shall be paid only upon presentation to the Tender Agent of the Bond on which such payment is due.

(b) Upon their initial issuance, the Bonds shall bear interest at an Auction Rate for the Rate Period as provided in the Supplemental Indenture and Exhibit A to the Supplemental Indenture. After their initial issuance, the Corporation may cause the Conversion of the Bonds. Upon any such Conversion, the Bonds shall bear interest for such Rate Period as shall be identified as part of such Conversion. The term of each Bond shall be divided into consecutive Rate Periods during which such Bond may bear interest at an Auction Rate, Daily Rate, Flexible Rate(s), Monthly Rate, Term Rate or Weekly Rate. Any such Rate Period established with respect to any Bonds shall continue in effect unless and until adjusted to a different Rate Period as provided herein or in Exhibit A to the Supplemental Indenture, as applicable. From and after any Conversion pursuant to Article IV hereof, the Bonds shall bear interest determined in accordance with the provisions hereof pertaining to the new Rate Period, unless the new Rate Period is an Auction Rate Period, in which case the Bonds shall bear interest determined in accordance with the provisions of Exhibit A to the Supplemental Indenture. The Bonds shall bear interest for each Calculation Period at the rate of interest per annum for such Calculation Period established in accordance herewith, payable as provided in Section 205 of the Indenture.

### Section 2.02. Calculation of Interest.

(a) The Remarketing Agent shall make available and deliver in writing to the Corporation, the Trustee, and any registered owner of a Bond the interest rate or rates determined on such Determination Date by the day following determination except, however, such notice shall be available and delivered on the Friday of each week which the Bonds bear interest at a Daily Rate and shall contain all rates for that week.

(b) If, for any reason, on any Determination Date (i) no Remarketing Agent is serving as such hereunder or (ii) the rate so determined is held to be invalid or unenforceable by a final judgment of a court of competent jurisdiction, the interest rate for the next succeeding Calculation Period shall be the same rate as for the current Calculation Period or as otherwise determined in accordance with any formula specified

by the Conversion Supplement providing for such Calculation Period. The Corporation shall select any person otherwise meeting the qualifications of Section 7.04 of this Exhibit E to obtain, calculate, prepare and deliver any of the information required by this subsection.

(c) The determination of any Adjustable Rate or the establishment of Calculation Periods by the Remarketing Agent in accordance with the provisions of this Exhibit E or of any Conversion Supplement shall be conclusive and binding upon the Corporation, the Trustee, the Remarketing Agent, the Credit Agency, if any, and the registered or beneficial owners of the Bonds. Failure of the Remarketing Agent, the Trustee, the Securities Depository or any Participant to give any of the notices described in the Indenture, or any defect therein, shall not affect the interest rate to be borne by any of the Bonds nor the applicable Calculation Period nor in any way change the rights of the registered owners of the Bonds to tender their Bonds for purchase or to have them redeemed in accordance with the Indenture.

(d) The Trustee shall calculate the amount of interest due and payable on each Interest Payment Date or Purchase Date by 12:00 noon (New York City time) on the Business Day next preceding such Interest Payment Date or Purchase Date, as the case may be. In preparing such calculation the Trustee may rely on calculations or other services provided by the Corporation or any person or persons selected by the Trustee in its discretion.

(e) Anything herein to the contrary notwithstanding, in no event shall the interest rate borne by any Bond exceed the Interest Rate Limitation.

Section 2.03. Rate Periods. The provisions for determination and payment of the interest on any Bonds bearing interest at any other Adjustable Rate or Fixed Rate are as follows:

(i) Daily Rate.

(A) Determination of Daily Rate. During each Daily Rate Period for any Bonds, such Bonds shall bear interest at the Daily Rate, determined by the Remarketing Agent on or before each Business Day for such Business Day. The Daily Rate shall be the rate determined by the Remarketing Agent to be the lowest rate which would enable the Remarketing Agent to sell the Bonds for delivery on the effective date of such rate at a price (without regard to accrued interest) equal to 100% of the principal amount thereof. The Remarketing Agent shall determine the minimum Daily Rate no later than 9:30 a.m. (New York City time). If the Remarketing Agent shall not have determined a Daily Rate for any day by 9:30 a.m. (New York City time) on such day (including holidays and weekends), the Daily Rate shall be the same as the Daily Rate for the immediately preceding day; provided, however, if the Remarketing Agent has failed to determine a Daily Rate for seven consecutive days, the Daily Rate shall

be 110% of the SIFMA Index as determined by the Remarketing Agent and communicated to the Trustee.

(B) Conversion to a Daily Rate Period. At any time the Corporation may, by written notice as provided in Section 4.01(a) of this Exhibit E, elect that any Bonds shall bear interest at a Daily Rate, subject to rescission of such election as provided in Section 4.02 of this Exhibit E. The effective date of such Conversion to a Daily Rate shall be a Business Day and (a) in the case of a Conversion from a Term Rate Period, shall be a day on which the Bonds would be permitted to be redeemed at the option of the Corporation as provided in Section 5.02 hereof; (b) in the case of a Conversion from a Monthly Rate Period, shall be the first Business Day of a month; (c) in the case of a Conversion from a Flexible Rate Period, shall be the day after the last day of the Flexible Segment from which the Conversion is to be made; and (d) in the case of a Conversion from an Auction Rate Period, shall be the day after the last day of an Auction Period applicable to such Bonds; provided, however, that if prior to the Corporation's making such election, any such Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Daily Rate Period shall not precede such redemption date.

(ii) Weekly Rate.

(A) Determination of Weekly Rate. During each Weekly Rate Period for any Bonds, such Bonds shall bear interest at the Weekly Rate, determined by the Remarketing Agent no later than the first day of such Weekly Rate Period and thereafter no later than Wednesday of each week during such Weekly Rate Period. If any such Wednesday shall be a holiday or not a business day, in which event the Weekly Rate shall be determined by the Remarketing Agent on the Thursday following such Wednesday. The Weekly Rate shall be the rate determined by the Remarketing Agent to be the lowest rate which would enable the Remarketing Agent to sell the Bonds for delivery on the effective date of such rate at a price (without regard to accrued interest) equal to 100% of the principal amount thereof. If the Remarketing Agent shall not have determined a Weekly Rate for any period by the time specified above, the Weekly Rate shall be 110% of the SIFMA Index as determined by the Remarketing Agent and communicated to the Trustee. In no event shall any Weekly Rate be greater than the Interest Rate Limitation. The first Weekly Rate determined for each Weekly Rate Period shall apply to the period commencing on the first day of such Weekly Rate Period and ending on the next succeeding Wednesday. Thereafter, each Weekly Rate shall apply to the period commencing on each Thursday and ending on the next succeeding Wednesday, unless such Weekly Rate Period shall end on a day other than Wednesday, in which event the last Weekly Rate for such Weekly Rate Period shall apply to the period commencing on the Thursday preceding the last day of such Weekly Rate Period and ending on such last day. The Remarketing Agent shall provide the Trustee and the Corporation with written, telephonic or Electronic notice of each Weekly Rate, as determined, on the day after the Determination Date for such Weekly Rate.

(B) Conversion to a Weekly Rate Period. At any time the Corporation may, by written notice as provided in Section 4.01(a) of this Exhibit E, elect that any Bonds shall bear interest at a Weekly Rate, subject to rescission of such election as provided in Section 4.02 of this Exhibit E. The effective date of such Conversion to a Weekly Rate shall be a Business Day and (a) in the case of a Conversion from a Term Rate Period, shall be a day on which the Bonds would be permitted to be redeemed at the option of the Corporation as provided in Section 5.02 hereof; (b) in the case of a Conversion from a Monthly Rate Period, shall be the first Business Day of a month; (c) in the case of a Conversion from a Flexible Rate Period, shall be the day after the last day of the Flexible Segment from which the Conversion is to be made; and (d) in the case of a Conversion from an Auction Rate Period, shall be the day after the last day of an Auction Period applicable to such Bonds; provided, however, that if prior to the Corporation's making such election, any such Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Weekly Rate Period shall not precede such redemption date.

(iii) Monthly Rate.

(A) Determination of Monthly Rate. During each Monthly Rate Period for any Bonds, such Bonds shall bear interest at the Monthly Rate, determined by the Remarketing Agent no later than the Business Day before such Monthly Rate Period and thereafter on the last Business Day of each calendar month during such Monthly Rate Period. The Monthly Rate shall be the rate determined by the Remarketing Agent to be the lowest rate which would enable the Remarketing Agent to sell the Bonds for delivery on the effective date of such rate at a price (without regard to accrued interest) equal to 100% of the principal amount thereof. If the Remarketing Agent shall not have determined a Monthly Rate for any period by the time specified above, the Monthly Rate shall be 110% of the SIFMA Index as determined by the Remarketing Agent and communicated to the Trustee. In no event shall any Monthly Rate exceed the Interest Rate Limitation. Each Monthly Rate shall apply to the period commencing on the first Business Day of a calendar month immediately following the determination thereof and ending on the day before the first Business Day of the following calendar month; provided that a Monthly Rate Period may commence on a day other than the first Business Day of a month. The Remarketing Agent shall provide the Trustee and the Corporation with written, telephonic or Electronic notice of each Monthly Rate, as determined, by 11:30 a.m. (New York City time) on the Determination Date for such Monthly Rate.

(B) Conversion to a Monthly Rate Period. At any time the Corporation may, by written notice as provided in Section 4.01(a) of this Exhibit E, elect that any Bonds shall bear interest at a Monthly Rate, subject to rescission of such election as provided in Section 4.02 of this Exhibit E. The effective date of such Conversion to a Monthly Rate shall be a Business Day and (a) in the case of a Conversion from a Term Rate Period, shall be a day on which the Bonds would be permitted to be redeemed at the

option of the Corporation as provided in Section 5.02 hereof; (b) in the case of a Conversion from a Flexible Rate Period, shall be the day after the last day of the Flexible Segment from which the Conversion is to be made; and (c) in the case of a Conversion from an Auction Rate Period, shall be the day after the last day of an Auction Period applicable to such Bonds; provided, however, that if prior to the Corporation's making such election, any such Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Monthly Rate Period shall not precede such redemption date.

(iv) Term Rate.

(A) Determination of Term Rate. During each Term Rate Period for any Bonds, such Bonds shall bear interest at the Term Rate, which shall be determined by the Remarketing Agent on a Business Day selected by the Remarketing Agent, but not more than forty (40) days prior to and not later than the Business Day before the effective date of such Term Rate Period. The Term Rate shall be the rate determined by the Remarketing Agent on such date, and communicated by the close of business on such date to the Trustee, the Paying Agent and the Corporation, by written, telephonic or Electronic notice, as being the lowest rate which would enable the Remarketing Agent to sell the Bonds for delivery on the effective date of such Term Rate Period at a price (without regard to accrued interest) equal to 100% of the principal amount thereof. If the Remarketing Agent shall not have determined a Term Rate by the time specified above, the Term Rate shall be equal to 110% of the SIFMA Index if such Term Rate Period is less than 365 calendar days or 85% of a United States Treasury Bill with a maturity equal to such Term Rate Period if such Term Rate Period is greater than or equal to 365 calendar days, each determined by the Remarketing Agent and communicated to the Trustee. Provided, however, that if, for any reason, a Term Rate for any Term Rate Period shall not be determined or effective or if an adjustment from a Term Rate Period to another Rate Period shall not be effective, the Rate Period for the Bonds shall be a Term Period of no more than one year and one day. In no event shall any Term Rate exceed the Interest Rate Limitation.

(B) Conversion to or Continuation of a Term Rate Period. At any time the Corporation may, by written notice as provided in Section 4.01(a) hereof, elect that any Bonds shall bear, or continue to bear, interest at a Term Rate, subject to rescission of such election as provided in Section 4.02 hereof. In connection with any such election the Corporation shall determine the duration of the Term Rate Period during which the Bonds shall bear interest at such Term Rate. Each Term Rate Period shall have a duration of any length greater than a calendar month which ends on the last day of a calendar month. At the time the Corporation so elects a Conversion to or continuation of a Term Rate Period, the Corporation may specify two or more consecutive Term Rate Periods and, if the Corporation so specifies, shall specify the duration of each such Term Rate Period as provided in this paragraph. The effective date of each Term Rate Period, shall be a Business Day and (a) in the case of a Conversion from or continuation of a Term Rate Period, shall be a day on which the Bonds would be

permitted to be redeemed at the option of the Corporation as provided in Section 5.02 hereof; and (b) in the case of a Conversion from a Monthly Rate Period, shall be the first Business Day of a month; (c) in the case of a Conversion from a Flexible Rate Period, shall be the day after the last day of the Flexible Segment from which the Conversion is to be made; and (d) in the case of a Conversion from an Auction Rate Period, shall be the day after the last day of an Auction Period applicable to such Bonds; provided, however, that if prior to the Corporation's making such election, any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Term Rate Period shall not precede such redemption date.

If, by the thirty-fifth day prior to the last day of any Term Rate Period, the Trustee shall not have received notice of the Corporation's election pursuant to Section 4.01(a) hereof accompanied by appropriate Bond Counsel Opinion, if required by said Section 4.01(a), the next succeeding Rate Period for the Bonds shall be a Term Rate Period as provided in paragraph (A) above.

At the same time that the Corporation elects to have any Bonds bear interest at a Term Rate or continue to bear interest at a Term Rate, the Corporation may also specify to the Trustee optional redemption prices and periods different from those described in Section 5.02(e) hereof during the Term Rate Period(s) with respect to which such election is made (including that there be no such optional redemption); provided, however, that such notice shall be accompanied by a Bond Counsel Opinion to the effect that such changes will not adversely affect the Tax-Exempt status of interest on such Bonds.

(v) Flexible Rate.

(A) Determination of Flexible Segments and Flexible Rates. During each Flexible Rate Period, each Bond shall bear interest during each Flexible Segment for such Bond at the Flexible Rate for such Bond. Each Flexible Segment for any Bond shall be a period of at least one day but not more than 270 days or, if Credit Enhancement is in effect with respect to such Bonds, such lesser number of days of interest coverage on the Bonds provided for in such Credit Enhancement minus five (5) days. Each Flexible Segment for any Bond shall be a period determined by the Remarketing Agent to be, in its judgment, the period which, taking into account prevailing market conditions and all other Flexible Segments and Flexible Rates for all Bonds then Outstanding, is likely to result in the lowest overall net interest expense on all such Bonds; provided, however, that any such Bond purchased on behalf of the Corporation and remaining unsold in the hands of the Remarketing Agent as of 1:00 p.m. (New York City time) on the effective date of the Flexible Segment for such Bond shall have a Flexible Segment of one day or, if such Flexible Segment would not end on a day immediately preceding a Business Day, a Flexible Segment of more than one day ending on the day immediately preceding the next Business Day; provided, further, however, that (1) each Flexible Segment shall end on a day which immediately

precedes a Business Day and no Flexible Segment shall extend beyond the day immediately preceding the Stated Maturity Date of the Bonds or, if Credit Enhancement is then in effect with respect to the Bonds, the scheduled Credit Enhancement Expiration Date of such Credit Enhancement, and (2) if for any reason the Remarketing Agent fails or is unable to determine a Flexible Segment on any Bond, the Flexible Segment for such Bond shall be one day, unless such Flexible Segment would end on a day which does not precede a Business Day, in which case such Flexible Segment shall end on the day immediately preceding the next succeeding Business Day.

The Flexible Rate for each Flexible Segment for each Bond shall be the rate determined by the Remarketing Agent no later than 1:00 p.m. (New York City time) on the first day of such Flexible Segment to be the lowest rate which would enable the Remarketing Agent to sell such Bonds on the effective date of such rate at a price (without regard to accrued interest) equal to 100% of the principal amount thereof. The Remarketing Agent shall provide the Trustee and the Corporation with telephonic or Electronic notice of each Flexible Rate and Flexible Term Segment by 1:00 p.m. (New York City time) on the date of determination. If a Flexible Rate for a Flexible Segment of one day is not determined or effective by 1:00 p.m. (New York City time) on such day, the Flexible Rate for such Flexible Segment of one day shall be equal to 110% of the SIFMA Index as determined by the Remarketing Agent and communicated to the Trustee on such date. In no event shall the Flexible Rate for any Bond exceed the Interest Rate Limitation.

Notwithstanding the foregoing, in the event that notice of redemption with respect to any Bond in a Flexible Rate Period shall have been given to the holder of such Bond by the Trustee, no subsequent Flexible Segments or Flexible Rates shall be determined with respect to such Bond.

(B) Conversion to a Flexible Rate Period. At any time the Corporation may, by written notice as provided in Section 4.01(a) hereof, elect that any Bonds shall bear interest at Flexible Rates, subject to rescission of such election provided in Section 4.02 hereof. The effective date of the Flexible Rate Period during which the Bonds shall bear interest at Flexible Rates shall be a Business Day and (a) in the case of a Conversion from a Term Rate Period, shall be a day on which the Bonds would be permitted to be redeemed at the option of the Corporation as provided in Section 5.02 hereof; (b) in the case of a Conversion from a Monthly Rate Period, shall be the first Business Day of a month; and (c) in the case of a Conversion from an Auction Rate Period, shall be the day after the last day of an Auction Period applicable to such Bonds; provided, however, that if prior to the Corporation's making such election any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Flexible Rate Period shall not precede such redemption date.

(C) Conversion from a Flexible Rate Period. At any time during a Flexible Rate Period for any Bonds, the Corporation may elect that the Bonds shall no longer

bear interest at Flexible Rates and shall instead bear interest as otherwise permitted under the Indenture. The Corporation shall give notice of such election as provided in Section 4.01(a) and shall instruct the Remarketing Agent to determine Flexible Segments of such duration that, as soon as possible, all Flexible Segments shall end on the same date, as specified by the Corporation, and upon the establishment of such Flexible Segments the day next succeeding the last day of all such Flexible Segments shall be the effective date of the new Rate Period elected by the Corporation. The Remarketing Agent, promptly upon the determination thereof, shall give written notice of such last day and such effective dates to the Corporation and the Trustee.

### ARTICLE III [RESERVED]

### ARTICLE IV CONVERSION

Section 4.01. Conversion of Rate Period. The provisions of Exhibit A to the Supplemental Indenture apply to any Conversions of Bonds from an Auction Rate. The provisions of Article IV of this Exhibit E apply to all other Conversions of the Bonds, including, but not limited to, Conversions to an Auction Rate from a Non-Auction Rate. The interest rate on all or any portion of the Bonds may be converted to an Auction Rate from a Non-Auction Rate, from any Adjustable Rate to a different Adjustable Rate or a Fixed Rate, or from a Fixed Rate to an Adjustable Rate, as provided in Section 2.03 and in this Section, subject to Section 4.03; provided that both the principal amount of Bonds so converted and the principal amount of Bonds not so converted shall be in Authorized Denominations. Upon Conversion, the Corporation may designate a Class for the converted Bonds that is different from the Class applicable to such Bonds before the Conversion. The principal amount of Bonds to be so converted, and the Class designation of such Bonds if different from the Class designation before Conversion, shall be specified by the Corporation to the Trustee in the notice given pursuant to subsection (a) hereof, and the specific Bonds to be so converted shall be selected by the Trustee by lot unless otherwise directed by the Corporation. As used in this Section, the term "Bonds" refers only to the Bonds so converted.

(a) On any Conversion Date, the Bonds shall cease to bear interest at the rate for the Rate Period then applicable to such Bonds and shall bear interest at a rate for such different Rate Period as shall be specified by the Corporation in a written notice delivered to the Trustee, the Credit Provider, if any, and the Remarketing Agent (and to the Auction Agent and the Securities Depository if such Change in the Interest Rate Mode is from an Auction Rate), in substantially the form attached hereto as, or containing substantially the information contained in, Appendix 1 hereto, not less than thirty (30) days before the Conversion Date in the case of Conversion from a Term Rate Period, or fifteen (15) days before the Conversion Date in the case of Conversion from any other Rate Period. If such Conversion (1) is from an Auction Rate Period or from

a Term Rate Period of one year or more to an Adjustable Rate Period other than a Term Rate Period of one year or more, or (2) is from an Adjustable Rate Period other than a Term Rate Period of one year or more to a Term Rate Period of one year or more, such notice from the Corporation shall be accompanied by a Bond Counsel Opinion to the effect that such Conversion will not adversely affect the Tax Exempt status of interest on the Bonds.

(b) The Trustee shall mail to the Bondowners the notice received pursuant to subsection (a) of this Section on or before the second Business Day after receipt thereof.

(c) A Conversion shall be effective pursuant to this Section only if:

(i) With respect to any Conversion, the Trustee (and, if the Conversion is from an Auction Rate, the Auction Agent) shall receive from the Corporation, by 4:00 p.m. New York City time on the Conversion Date, a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Appendix 4 hereto, to the effect that all of the Bonds tendered or deemed tendered have been purchased at a price equal to the principal amount thereof plus accrued interest, if any, with funds provided from the remarketing of such Bonds in accordance with the Remarketing Agreement or with the proceeds of the Credit Enhancement.

(ii) With respect to any Conversion to a Variable Rate, (A) a Credit Enhancement meeting the requirements of Article VI hereof shall have been delivered to the Trustee not less than one Business Day prior to the Conversion Date and shall be, by its terms, in effect not later than such Conversion Date; and (B) the Trustee (and, if the Conversion is from an Auction Rate, the Auction Agent) shall receive a certificate of the Corporation by no later than the tenth day prior to the Conversion Date stating that the Corporation and a Remarketing Agent have entered into a written agreement to remarket the Bonds on such effective date at a price of not less than 100% of the principal amount thereof.

(d) At the option of the Corporation, all of the Bonds (in an amount which is an Authorized Denomination for the new Rate Period) may be converted from a Daily Rate Period, a Weekly Rate Period, a Term Rate Period or a Flexible Rate Period to an ARS Rate Period. Any such conversion shall be made as follows:

(i) The ARS Conversion Date from (i) a Daily Rate Period or a Weekly Rate Period shall be any Business Day, (ii) a Term Rate Period shall be a regularly scheduled Interest Payment Date on which a new Term Rate Period would otherwise have commenced or on any date the Bonds are subject to optional redemption, and (iii) a Flexible Rate Period shall be the last regularly scheduled Interest Payment Date on which interest is payable for any Interest Period theretofore established for the Bonds to be converted.

(ii) The Corporation shall cause the Trustee to give written notice of any such conversion to the Remarketing Agent, the Auction Agent, and the Broker-Dealer not less than seven (7) Business Days prior to the date on which the Trustee is required to notify the registered owners of such Bonds of the conversion pursuant to subparagraph (iii) below. Such notice shall specify the Bonds to be converted, the ARS Conversion Date and the length of the initial Auction Period. Together with such notice, the Corporation shall file with the Trustee an opinion of Bond Counsel to the effect that the conversion of the Bonds to an ARS Rate Period shall not adversely affect the validity of such Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Bonds would otherwise be entitled. No such change to an ARS Rate Period shall become effective unless the Corporation shall also file, with the Trustee, an opinion of Bond Counsel to the same effect dated the ARS Conversion Date.

(iii) Not less than fifteen (15) days prior to the ARS Conversion Date, the Trustee shall mail a written notice of the conversion to the registered owners of all Bonds to be converted setting forth the same information contained in subparagraph (ii) above and stating that the Bonds shall be subject to mandatory tender at a purchase price equal to 100% of the principal amount thereof plus accrued interest on the ARS Conversion Date; provided, however, that the Trustee shall not mail such written notice if converting from a Flexible Rate Period until it has received a written confirmation from the Remarketing Agent that no Interest Period for the subject Bonds extends beyond the ARS Conversion Date.

(iv) The Auction Period Rate for the Auction Period commencing on the ARS Conversion Date shall be the lowest rate which, in the judgment of the Broker-Dealer, is necessary to enable the Bonds to be remarketed at a price equal to the principal amount thereof, plus accrued interest, if any, on the ARS Conversion Date. Such determination shall be conclusive and binding upon the Corporation, the Trustee, the Auction Agent, and the Bond Holders of the Bonds to which such rate shall be applicable.

(v) Not later than 5:00 p.m., New York City time, on the date of determination of the Auction Period Rate, the Broker-Dealer shall notify the Trustee, the Corporation and the Auction Agent of the Auction Period Rate by Electronic Means.

(vi) No Bonds may be converted to the Auction Period Rate when the Bonds are not held by a depository in book-entry form.

(e) If any condition is not met with respect to any Conversion from an Auction Rate, the Auction Rate for the next succeeding Auction Period shall be equal to the Maximum Rate as determined on such Auction Date all as set forth in Exhibit A to the

Supplemental Indenture. If any of the conditions referred to above is not met with respect to any other Conversion, then the Rate Period for the Bonds shall continue to be the same Rate Period as in effect immediately before such Conversion and mandatory tender shall still occur; provided that, if the Conversion was to be from a Term Rate Period, the Rate Period for the Bonds shall be a Term Rate of no more than one year and one day. If a Daily Rate for the first day of such Daily Rate Period is not determined as provided in Section 2.03(i)(A), the Daily Rate for the first day of such Daily Rate Period shall be equal to the SIFMA Municipal Index as determined by the Remarketing Agent and communicated to the Trustee on such date. If any of the foregoing conditions for a Conversion other than with respect to a Conversion from an Auction Rate is not met, the Trustee shall mail to the Corporation, the Credit Provider, if any, Remarketing Agent, and the Bondowners notice thereof in substantially the form attached hereto as, or containing substantially the information contained in, Appendix 4 hereto within three (3) Business Days after the failure to meet any of such conditions.

Section 4.02. Rescission of Election. Except as described in Exhibit A with respect to conversions from ARS Rate Periods, the Corporation may rescind its election to effect a conversion of the interest rate on any Bonds by giving written notice of such revocation to the Trustee, the Remarketing Agent, the Auction Agent and the Broker-Dealer at any time prior to the setting of the Non-Auction Rate by the Remarketing Agent.

Section 4.03. Conversion in Lieu of Optional Redemption. At any time the Bonds are subject to optional redemption as provided in Section 5.02 or in any Supplemental Indenture, the Corporation may determine to adjust the Rate Period on the Bonds to a different Rate Period. The Bonds shall be subject to mandatory purchase as provided in Section 5.04 at a purchase price equal to the principal of the Bonds, plus any redemption premium which would apply as provided in Section 5.02, plus accrued interest. Any remarketing of the Bonds in the new Rate Period shall require that a Remarketing Agent and Tender Agent be appointed pursuant hereto. The applicable mandatory tender date shall be any date that optional redemption would be permitted.

## ARTICLE V REDEMPTION AND TENDER OF BONDS

Section 5.01. Provisions for Redemption. The Bonds shall be subject to redemption by or on behalf of the Corporation prior to maturity at the times and at the prices as provided in Article VI of the Supplemental Indenture and shall be subject to optional redemption as provided in Section 5.02 hereof.

Section 5.02. Optional Redemption. In addition to any redemptions described in Section 5.01 hereof, the Bonds shall be subject to redemptions at such times, for such prices, and under such circumstances as the Corporation may determine following any Conversion of the Bonds. The Corporation shall include the times, prices, and

circumstances for any such redemption in the notice it provides to the Trustee under Section 4.01(a) hereof in connection with the Conversion; and such time, prices, and circumstances shall be annexed to and become part of this Exhibit E upon such Conversion; provided that there is accompanied with such notice to the Trustee a Bond Counsel Opinion to the effect that such redemption provision will not adversely affect the tax-exempt status of the Bonds.

Section 5.03. Tender for Purchase Upon Election of Owner.

(a) During any Daily Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased on any Business Day at a purchase price equal to 100% of the principal amount thereof plus accrued interest, if any, to the Purchase Date, payable in immediately available funds, upon (1) delivery by the holder or Beneficial Owner of such Bond to the Tender Agent, the Trustee and the Remarketing Agent, each at its Principal Office, by no later than 11:00 a.m. (New York City time) on the Purchase Date, of an irrevocable notice by telephone (promptly confirmed in writing) or written or Electronic Notice of Election to Tender in substantially the form attached hereto as, or containing substantially the information contained in, Appendix 2 hereto, which states the principal amount of such Bond to be tendered for purchase and the Purchase Date, and (2) delivery of such Bond tendered for purchase to the Tender Agent on the Purchase Date in accordance with the provisions of Section 5.05.

(b) During any Weekly Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased on any Business Day at a purchase price equal to 100% of the principal amount thereof plus accrued interest, if any, to the Purchase Date, payable in immediately available funds, upon (1) delivery by the holder or Beneficial Owner of such Bond to the Tender Agent, the Trustee and the Remarketing Agent, each at its Principal Office, of an irrevocable notice by telephone (promptly confirmed in writing) or written or Electronic Notice of Election to Tender in substantially the form attached hereto as, or containing substantially the information contained in, Appendix 2 hereto, by 5:00 p.m. (New York City time) on any Business Day at least seven (7) days prior to the Purchase Date, which states the principal amount of such Bond to be tendered for purchase and the Purchase Date, and (2) delivery of such Bond to the Tender Agent on the Purchase Date in accordance with the provisions of Section 5.05.

(c) During any Monthly Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased on the first Business Day of any month at a purchase price equal to 100% of the principal amount thereof plus accrued interest, if any, to the Purchase Date, payable in immediately available funds, upon (1) delivery by the holder or Beneficial Owner of such Bond to the Tender Agent, the Trustee and the Remarketing Agent, each at its Principal Office of an irrevocable notice by telephone (promptly confirmed in writing) or written or Electronic Notice of Election to Tender in substantially the form attached hereto as, or containing substantially the

information contained in, Appendix 2 hereto, by 5:00 p.m. (New York City time) on any Business Day at least ten (10) days prior to the Purchase Date, which states the principal amount of such Bond to be tendered for purchase and the Purchase Date, and (2) delivery of such Bond to the Tender Agent on the Purchase Date in accordance with the provisions of Section 5.05.

(d) If any Bond is to be purchased in part as described in (a), (b), (c) or (d) above, the amount so purchased and the amount not so purchased must each be an Authorized Denomination.

(e) Any instrument delivered to the Tender Agent, the Trustee and the Remarketing Agent in accordance with the foregoing provisions shall be irrevocable with respect to the purchase for which such instrument was delivered and shall be binding upon any subsequent Bondholder or Beneficial Owner of the Bond to which it relates, including any Bond issued in exchange therefor or upon the registration of transfer thereof, and as of the date of such instrument, the holder or Beneficial Owner of the Bonds specified therein shall not have any right to tender such Bonds for purchase prior to the date of purchase specified in such notice. The Tender Agent, the Trustee and the Remarketing Agent may conclusively assume that any person (other than a holder) providing notice of optional tender as described in (a), (b), (c) or (d) above is the Beneficial Owner of the Bond to which such notice relates, and neither the Tender Agent, the Trustee nor the Remarketing Agent shall assume any liability in accepting such notice from any person whom it reasonably believes to be a Beneficial Owner of Bonds.

#### Section 5.04. Mandatory Tender for Purchase.

(a) The Bonds shall be subject to mandatory tender for purchase at a purchase price, except as described in (b) below, equal to 100% of the principal amount thereof, plus accrued interest to the Purchase Date described below, upon the occurrence of any of the events stated below:

(1) as to any Bond, on any Conversion Date for such Bond, other than the effective date of any Conversion from a Daily Rate Period to a Weekly Rate Period or from a Weekly Rate Period to a Daily Rate Period; or

(2) as to each Bond in a Flexible Rate Period, on the day next succeeding the last day of each Flexible Segment with respect to such Bond; or

(3) as to all Bonds, on any Credit Enhancement Expiration Date (in which event, the purchase price of each Bond shall, to the extent not paid from proceeds of remarketing thereof, be paid from amounts received pursuant to the Credit Enhancement then in effect with respect to such Bond, and such Credit Enhancement shall not be surrendered until an amount sufficient to pay

such purchase price shall have been received by the Trustee pursuant thereto); or

(4) as to any Bonds, on any date at least fifteen (15) days after the Trustee has given notice thereof pursuant to notice from the Corporation that any rating agency then rating such Bonds shall no longer be deemed to be a Rating Agency for purposes of the Indenture; provided that the date of such mandatory tender, (i) in the case of Bonds bearing interest at an Auction Rate, shall be the day after the last day of an Auction Period; (ii) in the case of Bonds bearing interest at a Monthly Rate, shall be the first Business Day of a month; (iii) in the case of Bonds bearing interest at a Term Rate, shall be the day after the last day of a Term Rate Period; and (iv) in the case of Bonds bearing interest at a Flexible Rate, shall be the day after the last day of a Flexible Segment; or

(b) RESERVED

(c) The Trustee shall give notice by first class mail of any mandatory tender pursuant to clause (a)(3) or (a)(4) above to the holders of the Bonds at their addresses shown on the registration books kept by the Trustee, not later than the fifteenth day (thirtieth day if the then current Rate Period is a Term Rate Period) prior to the date on which the Bonds are subject to mandatory tender as provided in said clause (a)(3), (a)(4), (a)(5), or (6), which notice shall be in the form of Appendix 3 hereto and shall (i) state the Credit Enhancement Expiration Date or effective date of a change in Rating Agency; and (ii) state that such Bonds shall be subject to mandatory tender for purchase on such date in accordance with such provisions.

Section 5.05. Delivery of Tendered Bonds. With respect to any Book-Entry Bond, delivery of such Bond to the Tender Agent in connection with any optional or mandatory tender as provided in Section 5.03 or 5.04 shall be effected by the making of, or the irrevocable authorization to make, appropriate entries on the books of the Securities Depository or a participant thereof to reflect the transfer of the beneficial ownership interest in such Bond to the account of the Tender Agent, or to the account of a Securities Depository participant acting on behalf of the Tender Agent. With respect to any Bond which is not a Book-Entry Bond, delivery of such Bond to the Tender Agent in connection with any optional or mandatory tender as provided in Section 5.03 or 5.04 shall be effected by physical delivery of such Bond to the Tender Agent at its Principal Office, by 1:00 p.m. (New York City time) on the Purchase Date, accompanied by an instrument of transfer thereof, in a form satisfactory to the Tender Agent, executed in blank by the holder thereof with the signature of such holder guaranteed in accordance with the guidelines set forth by one of the nationally recognized medallion signature programs.

Section 5.06. Bonds Deemed Purchased.

(a) If moneys sufficient to pay the purchase price of Bonds to be purchased as provided in Section 5.03 or 5.04 shall be held by the Tender Agent on the date such Bonds are to be purchased, such Bonds shall be deemed to have been purchased for all purposes of the Indenture, irrespective of whether or not such Bonds shall have been delivered to the Tender Agent, and neither the former holder of such Bonds nor any other person shall have any claim thereon, under the Indenture or otherwise, for any amount other than the purchase price thereof.

(b) In the event of non-delivery of any Bond to be purchased as provided in Section 5.03 or 5.04 (an "Undelivered Bond"), the Tender Agent shall segregate and hold uninvested the moneys for the purchase price of such Bond in trust, without liability for interest thereon, for the benefit of the former holder of such Bond, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such Bond. Any moneys which the Tender Agent shall segregate and hold in trust for the payment of the purchase price of any Undelivered Bond and remaining unclaimed for two (2) years after the date of purchase shall be paid, upon the Corporation's written request, to the Corporation. After the payment of such unclaimed moneys to the Corporation, the former holder of such Bond shall look only to the Corporation for the payment thereof

(c) The Trustee shall, as to any Undelivered Bonds, (i) promptly notify the Remarketing Agent by telephonic notice confirmed by mail of such nondelivery, and (ii) place a stop transfer against an appropriate amount of such Bonds registered in the name of the owner(s). Such stop transfer shall commence with the lowest serial number registered in the name of such owner(s), until stop transfers have been placed against an appropriate amount of Bonds. Such stop transfers shall end when the Undelivered Bonds are delivered to the Trustee or its designated agent for such purposes. Upon such delivery, the Trustee shall make any necessary adjustments to the registration books of the Trustee.

## ARTICLE VI CREDIT ENHANCEMENT

Section 6.01. Credit Enhancement--General. The Corporation shall maintain a Credit Enhancement with respect to the Bonds during any Variable Rate Period except any Auction Rate Period. A Credit Enhancement must be in effect not later than any Conversion to any Variable Rate except an Auction Rate. If at any time the Corporation obtains a Credit Enhancement with respect to the Bonds which were previously not entitled to the benefit thereof, the Corporation shall submit such Credit Enhancement to each Rating Agency for the purposes of obtaining a rating on such Bonds. The Trustee shall be furnished with any Credit Enhancement obtained pursuant to this Section together with evidence of any rating or ratings obtained on the Bonds in connection therewith. The Trustee shall maintain separate accounts with respect to each Credit Enhancement and shall assure that amounts received pursuant

to such Credit Enhancement shall be applied only to payments on the Bonds supported by such Credit Enhancement.

Any Credit Provider not located in New York State shall provide the Trustee with a list of holidays on which it is closed through the next succeeding January 1 at the beginning of the term of such Credit Enhancement and by January 1 of each year thereafter.

Section 6.02. Renewal Credit Enhancement; Alternate Credit Enhancement.

(a) So long as any Bonds shall bear interest at a Variable Rate other than an Auction Rate, an alternate Credit Enhancement, or a renewal of the existing Credit Enhancement, together with evidence of the rating assigned to the Bonds as a result thereof, shall be delivered to the Trustee not later than a Business Day which is at least 20 days (35 days if the then current Rate Period is a Term Rate Period) prior to the date on which the Bonds are, or in the absence of such delivery would be, subject to mandatory tender as provided in Section 5.04(a)(3). The Corporation may at any time arrange for the deposit with the Trustee of an alternate Credit Enhancement, subject to the terms of the existing Credit Enhancement; provided (i) the alternate Credit Enhancement and the notices of rating (referred to below) relating to the issuance of the alternate Credit Enhancement are received by the Trustee and (ii) the holders of the Bonds are provided with a 15 day notice prior to the effective date of the alternate Credit Enhancement. Any renewal or alternate Credit Enhancement shall be in a form acceptable to the Trustee and shall be issued by a Credit Provider acceptable to the Corporation. In addition to the terms specified therein, the termination date of such alternate Credit Enhancement shall be a date not earlier than (i) the issuance of a subsequent alternate Credit Enhancement, (ii) payment in full of the outstanding Bonds supported by such Credit Enhancement, or (iii) a Conversion to an Auction Rate or to a Long-Term Rate.

ARTICLE VII  
MARKETING PARTIES

Section 7.01. Reserved.

Section 7.02. Reserved.

Section 7.03. Reserved.

Section 7.04. Remarketing Agent. Upon the issuance of any Bonds bearing interest at an Adjustable Rate other than Auction Rates, or upon Conversion of any Bonds to an Adjustable Rate Period other than an Auction Rate Period, the Corporation shall appoint a Remarketing Agent to serve as such under the terms and provisions hereof and of the Remarketing Agreement. The Remarketing Agent appointed pursuant hereto shall be a member of the National Association of Securities Dealers,

Inc. having a combined capital, surplus and undivided profits of at least \$15,000,000, and be authorized by law to perform all the duties imposed upon it by this Indenture and the Remarketing Agreement. The Remarketing Agent may be removed at any time by an instrument, signed by the Corporation and filed with the Trustee, provided that such removal shall not take effect until the appointment of a successor Remarketing Agent. The Remarketing Agent may resign upon 30 days' written notice delivered to the Corporation and the Trustee. The Corporation shall appoint a successor Remarketing Agent effective as of the effectiveness of any such resignation or removal. Each successor Remarketing Agent shall be a qualified institution selected by the Corporation and, so long as Credit Enhancement is in effect, approved by the applicable Credit Provider.

#### Section 7.05. Tender Agent.

(a) Upon the issuance of any Bonds bearing interest at an Adjustable Rate other than Auction Rates, or upon Conversion of any Bonds to an Adjustable Rate Period other than an Auction Rate Period, the Corporation shall appoint a Tender Agent to serve as agent for the Trustee in connection with the tender of Bonds and shall receive from such Tender Agent an instrument accepting its duties hereunder. Each Tender Agent shall be a bank or trust company duly organized under the laws of the United States of America or any state or territory thereof having its principal place of business in the Borough of Manhattan, in The City of New York (or such other location as may be approved by the Corporation), having a combined capital stock, surplus and undivided profits of at least \$15,000,000, and authorized by law to perform all the duties imposed upon it hereunder. In the absence of bad faith or negligence on its part, the Tender Agent shall not be liable for any action taken, suffered or omitted or for any error of judgment made by it in the performance of its duties hereunder and shall not be liable for any error of judgment made in good faith unless the Tender Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts.

(b) The Tender Agent may at any time resign and be discharged of the duties and obligations created hereby by giving at least 90 days' notice to the Trustee, the Remarketing Agent and the Corporation. The Tender Agent may be removed at any time by the Trustee upon the written direction of the Corporation or the Owners of two-thirds in aggregate principal amount of the Bonds then Outstanding, and if by such Owners, by an instrument signed by such Owners or their attorneys and, in each case, filed with the Tender Agent, the Corporation and the Trustee upon at least 30 days' notice. Neither resignation nor removal of the Tender Agent pursuant to the preceding two sentences shall be effective until and unless a successor Tender Agent has been appointed and has accepted such appointment. If the Tender Agent shall resign or be removed or be dissolved, or if the property or affairs of the Tender Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the Corporation shall use its best efforts to appoint a successor Tender Agent and shall act as Tender Agent until such appointment.

Section 7.06. Other Marketing Parties. Any Supplemental Indenture may provide for the appointment of any additional Marketing Parties which may be appropriate in connection with such the terms of the Bonds issued pursuant thereto; may provide for the qualifications, functions, duties, resignation, removal or replacement thereof; and may provide that any such functions or duties include any functions or duties otherwise set forth herein to be performed by the Trustee or by different Marketing Parties.

## ARTICLE VIII AMENDMENT

Section 8.01. Amendment of this Exhibit E. The provisions of Article VIII of the Indenture govern all amendments to this Exhibit E.

Section 8.02. Consent of Marketing Parties. In addition to any consent of any party required by Article VIII of the Indenture, no provision of this Exhibit E which affects any rights or obligations of any Marketing Party shall be modified without the written consent of such Marketing Party.

## APPENDIX 1

### ALASKA STUDENT LOAN CORPORATION EDUCATION LOAN REVENUE BONDS SENIOR SERIES 2007A-1

#### NOTICE OF CONVERSION AND MANDATORY TENDER

Notice is hereby given to the registered owners of the above captioned issue (the "Bonds") of the Alaska Student Loan Corporation (the "Corporation") that:

1. In accordance with the Trust Indenture of the Corporation, dated as of June 1, 2002, as supplemented (the "Indenture"), subject to the conditions hereinafter set forth, if any, the interest rate on the Bonds will be changed to a \_\_\_\_\_ Rate for a \_\_\_\_\_ Rate Period beginning on \_\_\_\_\_ (the "Effective Date").
2. The Bonds are subject to mandatory purchase on the Effective Date at a purchase price equal to the principal amount thereof plus accrued interest.
3. Such Conversion shall take effect only if the conditions set forth in the Indenture are satisfied. [Insert the following with respect to any change from an Auction Rate: If such conditions are not met, the Auction Rate for the next succeeding Auction Period shall be established in accordance with the procedures set forth in the Indenture.] [Insert the following with respect to any other Conversion: If such conditions are not met, the Bonds shall continue to bear interest at the Adjustable Rate then in effect and be subject to the provisions of the Indenture applicable while the Bonds bear interest at such Adjustable Rate.]
4. Registered owners of Bonds are required to deliver their Bonds to the Trustee no later than [Trustee to insert proper time], New York City time, on the Effective Date at the office of the Trustee referred to above, endorsed in blank by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Trustee executed for transfer in blank by the registered owner thereof (the Trustee being able to refuse to make payment with respect to any such Bond not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).
5. Each registered owner of Bonds who has properly tendered such Bonds in accordance with the above provisions will be paid the purchase price therefor on the Effective Date and if such purchase price, plus interest accrued to the Effective Date which will be paid to such registered owner in accordance with the Indenture, is paid, such registered owner shall have no further rights with respect to said Bonds.

6. With respect to any registered owner of Bonds who has not properly tendered such Bonds in accordance with the above provisions of this notice, (A) such registered owner's Bonds will be deemed tendered and purchased on the Effective Date at a purchase price equal to the principal amount thereof, (B) such registered owner will be paid interest on such Bonds on the Effective Date as provided in the Indenture and will be paid the purchase price for such Bonds upon the tender of such Bonds to the Trustee and (C) such Bonds shall, on and after the Effective Date, cease to accrue interest and after the Effective Date such registered owner will have no rights with respect to such Bonds except the right to receive payment of the purchase price equal to the principal amount thereof (without interest thereon from and after the Effective Date) upon tender of such Bonds to the Trustee.

7. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

Dated: \_\_\_\_\_

ALASKA STUDENT LOAN CORPORATION

By: \_\_\_\_\_  
Authorized Officer

APPENDIX 2

ALASKA STUDENT LOAN CORPORATION  
EDUCATION LOAN REVENUE BONDS  
SENIOR SERIES 2007A-1

NOTICE OF ELECTION TO TENDER

[Tender Agent], as Tender Agent  
\_\_\_\_\_

[Remarketing Agent], as Remarketing Agent  
\_\_\_\_\_

[Trustee], as Trustee  
Seattle, Washington

Note: The substance of this notice must be given to the Remarketing Agent by telephone at (\_\_\_\_) \_\_\_\_\_ at or prior to the time this Notice must be delivered to the Tender Agent, the Remarketing Agent, and the Trustee.

1. The undersigned, \_\_\_\_\_, owner of the following Bonds:

Bond Number

Principal Amount Tendered

hereby notifies you of its election to tender such Bonds for purchase on [\_\_\_\_\_, \_\_\_\_\_] (which date shall be a Business Day (as defined in the Indenture), and (a) if such Bonds bear interest at a Daily Rate, shall be a Business Day not earlier than the day after the delivery of this notice to the Tender Agent, the Trustee and the Remarketing Agent no later than 10:30 a.m., New York City time, on a Business Day; and (b) if such Bonds bear interest at a Weekly Rate, shall be a Business Day not earlier than the seventh (7th) day after the date of delivery of this notice to the Tender Agent and the Remarketing Agent; and (c) if such Bonds bear interest at a Monthly Rate, shall be the first Business Day of a month not earlier than the tenth (10th) day after the date of delivery of this Notice to the Tender Agent and the Remarketing Agent; and (c) if such Bonds bear interest at a Term Rate, shall be the first day of a Term Rate Period not earlier than the fifteenth (15th) day after the date of delivery of this Notice to the Tender Agent and the Remarketing Agent.

2. If only a portion of a Bond is being tendered, both the tendered portion and untendered portion must be authorized denominations.

3. After its execution and delivery to you, this notice will be irrevocable.

4. The person or persons to whom or to whose order the proceeds of the purchase of the above referenced Bonds are to be paid, its or their taxpayer identification number or numbers and the address or addresses of such payee or payees is \_\_\_\_\_; which information the undersigned, under the penalties of perjury, certifies to be true, correct and complete.

5. The undersigned hereby undertakes to deliver the Bonds to the Tender Agent no later than 1:00 p.m., New York City time, at the office of the Tender Agent located at \_\_\_\_\_, endorsed in blank for transfer or accompanied by an instrument of transfer executed in blank for transfer and acknowledges that any instrument of transfer must in form be satisfactory to the Trustee and that the Trustee may refuse to make payment with respect to any Bond not endorsed in blank or for which an instrument of transfer satisfactory to the Trustee has not been provided.

6. The undersigned hereby also assigns and transfers and directs the Trustee to transfer the Bonds delivered in connection herewith to the appropriate party under the terms and conditions contained in the Indenture pursuant to which the Bonds have been issued.

7. The undersigned acknowledges that in the event of a failure to deliver the Bonds or in the event such Bonds are not properly delivered, such Bonds shall nevertheless be deemed tendered and purchased on the date referred to in 1 above, no interest shall accrue thereon to the undersigned from and after such date of purchase and that the undersigned shall have no rights under the Bonds or under the Indenture except the right to receive the purchase price of the Bonds.

8. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Trust Indenture of the Alaska Student Loan Corporation, dated as of June 1, 2002, as supplemented (the "Indenture").

Dated: \_\_\_\_\_

Name of Owner as it is written on the face of the above listed Bonds in every particular, without alteration, enlargement or any change whatsoever

\_\_\_\_\_

Witness

\_\_\_\_\_

### APPENDIX 3

#### ALASKA STUDENT LOAN CORPORATION EDUCATION LOAN REVENUE BONDS SENIOR SERIES 2007A-1

#### NOTICE OF MANDATORY TENDER

Notice is hereby given to the registered owners of the above captioned issue (the "Bonds") of the Alaska Student Loan Corporation (the "Corporation") that:

1. In accordance with the provisions of the Trust Indenture of the Corporation dated as of June 1, 2002, as supplemented (the "Indenture"), notice is hereby given that [the \_\_\_\_\_ (the "Credit Enhancement") issued by \_\_\_\_\_ with respect to the Bonds (the "Credit Provider") will terminate on \_\_\_\_\_,] [as of \_\_\_\_\_, \_\_\_\_\_ will no longer be deemed to be the Rating Agency for the Bonds pursuant to the Indenture] and that all Bonds, other than Bonds held by or for the account of the Corporation or the Credit Provider, are subject to mandatory purchase as hereinafter set forth at a purchase price equal to the principal amount thereof.

2. The Bonds are subject to mandatory tender for purchase on \_\_\_\_\_ (the "Mandatory Tender Date").

3. All registered owners of Bonds are required to deliver their Bonds to the Trustee on the Mandatory Tender Date at the office of the Trustee located at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ endorsed in blank by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Trustee executed in blank by the registered owner thereof (the Trustee being able to refuse to make payment with respect to any such Bond not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

4. Each registered owner of Bonds who has properly tendered such Bonds in accordance with the above provisions will be paid the purchase price therefor, plus interest to the Mandatory Tender Date, which will be paid to such registered owner in accordance with the Indenture, and if such purchase price and interest is paid, such registered owner shall have no further rights with respect to said Bonds.

5. With respect to any registered owner of Bonds who has not properly tendered such Bonds in accordance with the above provisions of this notice, (A) such registered owner's Bonds will nevertheless be deemed tendered and purchased on the Mandatory Tender Date at a purchase price equal to the principal amount thereof, (B) such registered owner will be paid interest on such Bonds on the Mandatory Tender Date as

provided in the Indenture and will be paid the purchase price for such Bonds upon the tender of such Bonds to the Trustee and (C) such Bonds shall, after the Mandatory Tender Date, cease to accrue interest and after the Mandatory Tender Date such registered owner will have no rights with respect to such Bonds except the right to receive payment of the purchase price (without interest thereon from and after the Mandatory Tender Date) upon tender of such Bonds to the Trustee.

6. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

Dated: \_\_\_\_\_

ALASKA STUDENT LOAN CORPORATION

By: \_\_\_\_\_  
Authorized Officer

APPENDIX 4

ALASKA STUDENT LOAN CORPORATION  
EDUCATION LOAN REVENUE BONDS  
SENIOR SERIES 2007A-1

NOTICE OF PURCHASE UPON CONVERSION

NOTICE IS HEREBY GIVEN that with respect to a Conversion pursuant to the Trust Indenture of the Alaska Student Loan Corporation, dated as of June 1, 2002, as supplemented (the "Indenture"), all of the Bonds tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Bonds in accordance with the Remarketing Agreement or from the proceeds of the Credit Enhancement. Terms used herein have the meanings assigned thereto in the Indenture.

Dated: \_\_\_\_\_

ALASKA STUDENT LOAN CORPORATION

By: \_\_\_\_\_  
Authorized Officer

APPENDIX 9

ALASKA STUDENT LOAN CORPORATION  
EDUCATION LOAN REVENUE BONDS  
SENIOR SERIES 2007A-1

NOTICE OF FAILURE OF CONDITIONS

NOTICE IS HEREBY GIVEN that the conditions for effecting a Conversion to a Rate Period have not been met.

The above captioned Bonds will therefore bear interest at a Daily Rate and be subject to the provisions of the Indenture applicable to such Rate Period, beginning on \_\_\_\_\_, and the holders thereof shall have the right to tender such Bonds for purchase upon one Business Day's notice.

Dated: \_\_\_\_\_

[TRUSTEE]

By: \_\_\_\_\_  
Authorized Officer

APPENDIX 10

ALASKA STUDENT LOAN CORPORATION  
EDUCATION LOAN REVENUE BONDS  
SENIOR SERIES 2007A-1

NOTICE OF RESCISSION OF CONVERSION

NOTICE IS HEREBY GIVEN that the election to effect a Conversion to a \_\_\_\_\_  
Rate Period has been rescinded.

The above captioned Bonds will therefore bear interest at a Daily Rate and be  
subject to the provisions of the Indenture applicable to such Rate Period, beginning on  
\_\_\_\_\_, and the holders thereof shall have the right to tender such Bonds  
for purchase upon one Business Day's notice.

Dated: \_\_\_\_\_

[TRUSTEE]

By: \_\_\_\_\_  
Authorized Signatory